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DOCUMENTS OF THE MEETINGS OF THE  
ALLIED CONTROL COMMISSION FOR  
HUNGARY

1945-1947

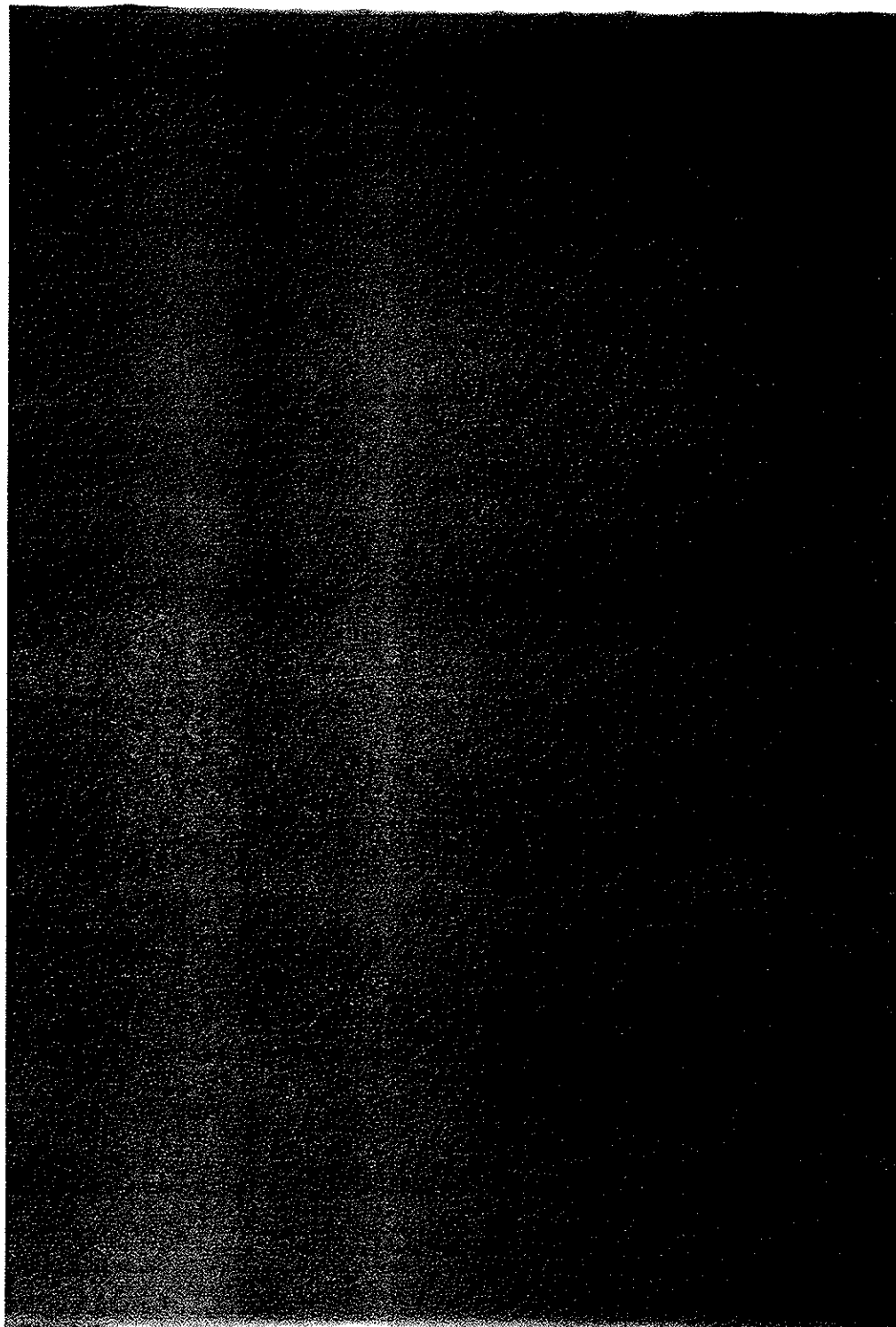
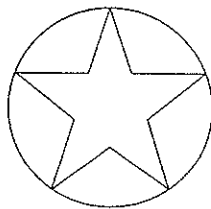
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DOCUMENTS OF THE MEETINGS

OF THE ALLIED CONTROL COMMISSION FOR HUNGARY



Iratok a magyarországi Szövetséges Ellenőrző Bizottság történetéhez  
1945–1947

Sorozatszerkesztő:  
Vida István

**DOCUMENTS OF THE MEETINGS  
OF THE ALLIED CONTROL COMMISSION  
FOR HUNGARY  
1945–1947**

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## LIST OF ABBREVIATIONS

ACC	Allied Control Commission
AFHQ	Allied Forces Headquarters (Caserta, Italy)
AGWAR	Adjutant General, War Department
Art.	article
ATC	Air Transport Command
BM Hungary	British Mission to Hungary (or BMM)
BMM	British Military Mission
BTACBE	Commander of the Order of the British Empire
CDPX	Combined Displaced Persons Executive
CG	Commanding General
CMDR	Commander
CMR	Commissioner
CMG	Companion of the Order of St. Michael and St. George
CSR	Czechoslovak Republic
D/Chairman	Deputy Chairman
Dep.	Deputy
dept	department
DEPTEL	Department's Telegram
div	division
DP	displaced person
E. C. I. T. O.	European Central Inland Transport Organization
FA	Field Artillery
FO	Foreign Office
FRUS	Foreign Relations of the United States
gen	general
govt.	government
GSC	General Staff Corps
HMG	His Majesty's Government
infm	information
JCS	Joint Chiefs of Staff
KALOT	Katolikus Agráriifjúsági Legényegyletek Országos Tanácsa (National Catholic Agrarian Youth Association)
KEDIM	Kereszténydemokrata Ifjúsági Munkaközösség (Christian Democratic Youth Association)
LEGTEL	Legation's Telegram
Lt.	Lieutenant
maj.	major
MAORT	Magyar Amerikai Olajipari Rt. (Hungarian-American Oil Company, a subsidiary of Standard Oil Company of New Jersey)
MASZOVLET	Magyar-Szovjet Polgári Légiforgalmi Társaság (Hungarian-Soviet Civil Aviation Company)
MC	Military Crossmemo. memorandum

MTI	Magyar Távirati Iroda (Hungarian News Agency)
NCO	Non-commissioned Officer
Offr	Officer
OPD	Operations Division, War Department General Staff
OSS	Office of Strategic Services
par.	paragraph
PIL	Politikátörténeti Intézet Levéltára (Archives of the Institute of Political History)
pol.	political
POW	prisoner of war
PRO	Public Records Office
R. A. F.	Royal Air Force
rep.	representative
Rt.	Részvénytársaság (Co. Ltd.)
S/Sgt	Staff Sergeant
Sgt	Sergeant
SS	Schutzstaffel ( <i>protection patrol</i> , the Nazi police force in Germany)
TH	Történeti Hivatal (Bureau of Contemporary History, Budapest, Hungary)
UNO	United Nations Organization
USACA	United States Allied Commission Austria
USACC	United States Representation on the Allied Control Commission
USFA	United States Force in Austria
USFET	United States Force, European Theater
USIS	United States Information Service
USMR	United States Military Representation
USN	United States Navy
USREPTel	United States Representation's Telegram
WARCOS	Chief of Staff, US Army
YMCA	Young Men's Christian Association
YS	Yugoslavia

## FOREWORD

In 1944 Hungary lost the remnants of its former independence for nearly 50 years to come. As the Second World War was drawing to an end, Red Army troops were approaching the eastern and south-eastern borders of the country. Under such circumstances Hitler trusted his ally even less therefore decided to occupy Hungary and forced Governor Miklós Horthy to appoint a new pro-German government under the premiership of Döme Sztójay in March 1944. Subsequent to the Romanian surrender in August 1944, Horthy realised that he had to negotiate the armistice terms with the Russians rather than the Anglo-American Allies. Preliminary armistice negotiations commenced in Moscow between the representatives of the Soviet Union and the Hungarian Government at the beginning of 1944 when, with German assistance, Governor Horthy's régime was overturned on 15 October 1944 and the extreme rightist politician, Ferenc Szálasi, was installed as Prime Minister. Despite the rightist coup, the Hungarian armistice delegation appointed by Governor Horthy carried on the negotiations with the soviet delegation led by V. M. Molotov, Peoples' Commissar for Foreign Affairs in Moscow. The Soviets demanded that a provisional government be formed in Hungary with the participation of democratic and anti-German political elements. General Béla Dálnoki Miklós, commander of the First Hungarian Army who went over to the Russians in October 1944, became head of the newly formed provisional government in December 1944. It was a national coalition government with the participation of the five major political parties, — the Independent Smallholders', the Social Democratic, the Communist, the National Peasant and Liberal Democratic Parties — and carried out its duties until the first democratic General Elections in November 1945. As the Russians were driving out the German troops from Hungary, political life was quickly assuming its pace in the liberated territories. National Councils were established by democratic elements to resuscitate and control public life in the liberated towns and villages.

### *Armistice Negotiations and the Armistice Agreement*

The first step of the Provisional Government was to sign the Armistice Agreement with the Great Powers. As Germany's and its allies' final defeat was already a matter of weeks, the representatives of the Hungarian Provisional Government had to sign such terms that were deemed appropriate by the Allies. However, differences of opinion, intentions and aims of the Allies regarding the future of Hungary became evident during the Moscow talks that commenced at the end of December 1944.

As it had been precipitated by the similar situation prevailing in Italy, Romania and Bulgaria, the armistice terms and the supervising of their fulfilment would give absolute control to the occupying forces over the economic, political and military affairs of the defeated country. To manage matters arising from the occupation of the country and to supervise the fulfilment of the Armistice Terms, three Allied authorities were set up in Italy in 1943: the Allied Military Government, the Allied Control Commission (ACC) and the Advisory Council. The Russians had no influence whatsoever in the Military Government; on the Allied Control Commission they had a consultative status. The Russians' position on the Advisory Council, however, was stronger. The Council

was operated on an equal basis but it had far less authority and influence over Italian affairs than the previous two consultative bodies. Moreover in the first phase of the occupation of Italy, the US Commander-in-Chief, made all substantial decisions alone since he considered Italian affairs to be of military nature. Because the Western Allies were afraid of Russian influence on the Italian political life and the potential Russian support that could be given to the Italian communists, they did everything to reduce the Russians' role to that of an observer status. It was evident for western policy-makers that the Soviet Union would make similar arrangements and grant similar status for the representatives of the United States and Great Britain in east central Europe. The US Briefing Book Paper prepared for the Yalta Conference in February 1945 stated that the US Government recognised the more direct Soviet interest in Hungary and its leading role in the first phase of the armistice<sup>1</sup>. The Italian precedent of unilateral policy-making on the part of the United States, the protection of British interests in Greece vis-à-vis the communists and the percentages agreement between Stalin and Churchill foreshadowed the Anglo-Americans' half-hearted participation in the armistice negotiations with the east European countries. (Moreover, according to a member of the US Military Mission on the Allied Control Commission for Hungary, the Russian manner of operating the various occupational authorities in Romania, Bulgaria and Hungary could become a precedent for the United States in the case of the forthcoming Japanese surrender.)

In Romania and Bulgaria the situation was just the opposite of that of the Italian; British and American members of the respective Control Commissions were excluded when vital decisions were made. The dominant position of the Soviet Union in the above countries manifested itself in Romania most clearly; the Armistice Agreement signed on 12 September 1944 stated that "the Control Commission would operate under [the] general direction and orders of the Allied (Soviet) High Command, acting on behalf of the Allied Powers"<sup>2</sup>. The US State Department gaining insufficient experience in Romania tried to secure the right for western representatives to take part in the decision-making in Bulgaria. The armistice period in Bulgaria, in accordance with the Armistice Terms signed on 28 October 1944, was divided into two phases: in the first phase, i. e., from the signing of the Armistice Agreement until the end of the hostilities with Germany, the situation was the same as in Romania; in the second phase, i. e., from the surrender of Germany until the conclusion of the Peace Treaty, the Anglo-Americans held, in theory at least, stronger position within the ACC. In reality, in both phases the US and British representative's position was in fact very similar; they had little say in the running of the ACC and Soviet dominance was indisputable.

As the State Department was not satisfied at all with US activity in the commissions in Romania and Bulgaria and their role in the actual decision-making, they made an attempt to secure a written guarantee for equal status for western representatives of the ACC in Hungary. During the Hungarian armistice negotiations Secretary of State, E. R. Stettinius, instructed W. A. Harriman, the US Ambassador to

<sup>1</sup> *Foreign Relations of the United States (FRUS), The Conferences at Malta and Yalta 1945*, Washington D.C., 1955, pp. 238-245.

<sup>2</sup> Regarding the armistice negotiations with Romania and post-armistice problems see, FRUS, 1944, vol. IV, pp. 132-289.

Moscow, as the following, "you should support this view [i. e., the American request for written guarantee of equal status of all ACC members in the second period of the Armistice] very strongly but should not make a decisive issue of it<sup>3</sup>."

At the Hungarian armistice negotiations, there was disagreement between the Allies concerning two issues: the amount of reparations to be paid by Hungary and the status of the Allied Control Commission. The Soviet Union wanted Hungary to pay the largest possible sum in the shortest possible period. Because of the lesson learnt regarding the exaggerated German reparations at the end of the First World War, the American intention to regulate commercial ties with the defeated countries and the relatively great stake the US had in the Hungarian economy (primarily the oil industry), the State Department tried to reduce the amount of reparations. The initial Soviet proposal for Hungarian reparations was \$400 million over a period of five years of which \$320 million would have to be paid to the Soviet Union and \$80 million to Czechoslovakia and Yugoslavia. The American and British governments considered this amount excessive and managed to have it reduced to \$300 million, out of which \$200 million would have to be paid to the Soviet Union and \$100 million to Czechoslovakia and Yugoslavia. The price levels to be used constituted an additional problem: while the Russians demanded that the calculations be made at the 1938 price level, the western counterparts argued that the reparations should be made at the current price level. Finally, Annex D of the Armistice Agreement provided that Hungarian reparation deliveries would be calculated at 1938 price levels with an increase of 15 per cent for industrial equipment and 10 per cent for other goods.

The other thorny issue concerned the status of the Anglo-American representations on the Allied Control Commission for Hungary. Instead of an observer status arising from the "Italian formula", the US and British negotiators tried to secure the possibility of an actual participation in the running of the commission. For the first period they accepted absolute Russian dominance as regards military matters but wanted to convert the ACC into a genuine tripartite body in the second period and thus demanded to have the right of veto when substantial directives to be given to the Hungarian Government were concerned. Because there was no consensus on this issue, the Armistice Agreement only dealt with the first phase stating that during this period the Allied Control Commission would be under the general direction of the Allied (Soviet) High Command.

The Allied Control Commission for Hungary was established by the Armistice Terms signed in Moscow on 20 January 1945 by the representatives of the Soviet Union, the United States and the United Kingdom on the one hand and the representatives of the Provisional National Government of Hungary on the other hand. The Agreement compelled Hungary to withdraw from the war against the Soviet Union and other United Nations, to declare war on Germany, to disarm German armed forces in its territory and to intern German nationals. The Agreement also provided that Hungary would evacuate Hungarian troops from occupied territories, provide eight infantry divisions for the purposes of the Allied forces, release Allied prisoners of war and internees, and undertake to return all valuables and materials removed from the Soviet Union, Czechoslovakia or Yugoslavia during the war. In accordance with the

<sup>3</sup> FRUS, 1944, vol. III, p. 951.

Armistice, Hungary had to pay reparations amounting to \$300 million to the Soviet Union, Czechoslovakia and Yugoslavia and it had to provide all commodities, facilities, services and regular payments for the Soviet High Command and the ACC missions. Hungary undertook to dissolve pro-Hitlerite and fascist organisations, co-operate in the trial of war criminals and make the Vienna Awards (2 November 1938 and 30 August 1940) null and void. As regards the ACC the Armistice Agreement provided that the Hungarian Government would fulfil all its instructions arising from the Agreement. Annex F to Article 18 stated that the Control Commission would set up special organs or sections to facilitate its work and it would have officers stationed in various parts of the country.

*The Military Missions of the Allied Control Commission for Hungary*

In accordance with Article 18 of the agreement, Klement Efremovich Voroshilov, Marshal of the Soviet Union was appointed Chairman of the ACC for Hungary. From March 1946, when Voroshilov left the country, his deputy Major-General V. P. Sviridov presided at the ACC meetings and all substantial decisions of the Commission were taken by him or in his name. (Back in July 1945 General Sviridov replaced Lt. General Stahursky as Marshal Voroshilov's first assistant.) Officers of the Soviet Section of the ACC in June 1945 were as follows<sup>4</sup>:

Marshal K. E. Voroshilov	Chairman
Lt. Gen. M. M. Stahursky	Deputy Chairman
Rear Admiral M. A. Trainin	Assistant to Chairman
Major General I. I. Levushkin	Chief of Headquarters
Major General A. N. Kondratov	Chief of Military Department
Major General A. M. Belianov	Chief of Administrative Department
Major General L. A. Cherbakov	Secretary to Marshal Voroshilov
Major General A. B. Kosov	Chief of Railroad Transportation
Major General L. U. Zorin	Chief of Reparations in Hungary
Colonel I. I. Ostrovsky	Chief of Aviation Department
Colonel H. B. Soldatenko	Assistant Chief of Aviation
Colonel I. A. Malevsky	Assistant Chief of Military Department
Colonel U. I. Sova	Chief of Economic Department
Colonel M. P. Novikov	Assistant Chief of Headquarters
Commodore S. I. Belikov	Chief of River Fleet Department
Lt. Colonel L. I. Cherkasov	Chief of Liaison Section
First Lieutenant Potapov	Liaison Officer
Mr. G. M. Pushkin	Political Adviser to Chairman, Ambassador Designate
Mr. G. C. Barulin	Secretary to Pushkin and Deputy Political Adviser
Mr. V. P. Csokin	Deputy Political Adviser
Colonel B. M. Smirnov	Assistant Chief of Administration

<sup>4</sup> Box: 46, Record Group: 338 ACC Hungary, NA, Washington D.C.

Colonel A. P. Naumenko	Assistant Chief of Economic Department
Captain I. L. Hrulev	Assistant Chief of River Fleet Department
Major General A. P. Missiusev	Chief of Inspection Department
Lt. Colonel N. G. Velikanov	Assistant Chief of Inspection Department
Major Ivanov	Chief of Signals Department

It is estimated that the total number of the Soviet Mission eventually amounted to approximately 800 persons, including enlisted men, assistant staff and representatives in the countryside.

The US Military Mission of the ACC for Hungary was led by Major William S. Key who was replaced by Brigadier General George Hatton Weems on 5 July 1946. When the representation was completed and began its activity American commissioner personnel of the ACC for Hungary were the following<sup>5</sup>:

Major General William S. Key	Chief of Mission
Colonel Dallas S. Townsend	Chief of Economic Division
Colonel Frank W. Gillespie	Chief of Military Division
Captain William F. Dietrich	Chief of Naval Division
Colonel Henry G. Simmonite	Secretary and Executive
Lt. Colonel Kenneth K. Dunham	Administrative Officer
Lt. Colonel Henry C. McClain	Surgeon
Lt. Colonel George S. Kovach	Information Officer
Lt. Colonel Richard S. Barker	Member of Security Detachment
Lt. Colonel Walter G. Rishel	Member of Military Division
Major Edward J. Czerniuk	Member of Information Section
Major Robert W. Sabel	Aide de Camp
Major Lawrence R. Hagy	Member of Economic Division
Captain Morris L. Le Vitin	Signals Officer
Captain James W. Eaton	Adjutant General
Captain Stephen J. Knerly	Headquarter Commanding Officer
Lieutenant Vladimir S. Veden	Member of Naval Division
First Lieutenant Eugene G. McAbee	Finance Officer
First Lieutenant Arnold D. Kessler	Repatriation Officer
Matthew W. Morton	Member of Adjutant General's Section

The US Military Mission comprised 15 US Army officers and two US Navy officers, one warrant officer, 32 enlisted men and 2 seamen in March 1945<sup>6</sup>. The number increased to 67, including attached personnel from the US Army and US Navy by 1946<sup>7</sup>. General Key was given a Letter of Instructions by Major General H. A. Craig, Acting Assistant Chief of Staff, on January 20 1945<sup>8</sup>.

<sup>5</sup> Box: 46, Record Group: 338 ACC Hungary, NA, Washington D.C.

<sup>6</sup> Commanding General's narrative report of operations United States Military Representation on the Allied Control Commission for Hungary, Department of the Army, The Center of Military History 8-3.3 BA

<sup>7</sup> Box: 44, Record Group: 338 ACC Hungary, NA, Washington D.C.

<sup>8</sup> See Annex C in this volume.



The US Minister Designate and later Minister H. F. Arthur Schoenfeld was not a member of the Allied Control Commission, nor did he attend the meetings of the commission although he was regularly updated by the US Military Chief; Schoenfeld received his instructions from the State Department.

The Chief of the British Military Mission on the ACC for Hungary was Major General O. P. Edgcumbe, his political adviser and minister designate was A. D. P. Gascoigne who was replaced by Alexander Knox Helm on 28 June 1946. Members of the British Military and Political Missions to Hungary in the summer of 1945 were the following<sup>9</sup>:

*Officers:*

Major General O. P. Edgcumbe	Commissioner
Brigadier G. A. C. McNab	Head of Military Section
Air Commodore J. H. Simpson	Head of Air Section
Commander E. H. C. Branson	Head of Naval Section
Lieutenant Colonel J. B. Pemberton	GSO Secretariat
Lieutenant Colonel	
H. G. Jennings-Bramley	Liaison Officer
Major P. C. Capron	Liaison Officer
Major R. A. L. O'Rorke	GSO 2
Major J. G. Coates	GSO 2
Sqn/Ldr R. Taylor	GSO 2
Major W. J. M. Paterson	Military Assistant
Captain D. Bloodworth	GSO 3
Captain J. S. Barker	Medical Officer
Captain G. R. Stonestreet	Camp Commandant
Captain H. M. Robson	Paymaster
Captain W. J. Griffith	Captain R Sigs.
Lieutenant J. Eastwood	Lieutenant R. Sigs.

*Civilians:*

Mr. S. V. Chambers	Member of Economic Sub-section
Mr. J. B. Stewart	Member of Financial Sub-section
Mr. E. E. Shipton	Member of Food and Agriculture Division
Mr. G. Holmes	Member of Oil Division

*Political section:*

Mr. A. D. F. Gascoigne	Minister Designate
Mr. W. Mitchell-Carse	First Secretary
Mr. F. G. Redward	Second Secretary
Mr. H. V. Bostock	British Consul
Mr. R. O'Rafferty	Archivist

<sup>9</sup> Box: 46, Record Group: 338 ACC Hungary, NA, Washington D.C.

Mr. D. O. Hetherington	Cipher Officer
Mr. E. A. D. Smith	Cipher Officer
Mr. E. Curwain	Wireless Officer
Mr. F. G. Williams	Wireless Officer
Mrs. L. T. Gascoigne	Wife of Minister
Miss J. H. Lugg	Secretary to Minister
Mr. A. H. Whitney	Press Attaché

The total number of the British Political and Military Missions on the ACC for Hungary reached 90 in June 1945 of whom 16 were officers, 15 civilians and 59 other ranks.

There were two other military missions in Hungary to supervise the fulfilment of the Armistice Terms as far as their respective countries' interests were concerned. The Czechoslovak and Yugoslav representatives dealt with matters in connection with reparations to be paid by Hungary and did not attend the general meetings of the ACC. The Czechoslovak Mission was led by Dalibor Krno who was replaced by Major General Frantisek Dastich in the spring of 1946. <sup>10</sup> The total number of the Czechoslovak Mission rose from the initial 19 to about 90 by 1946<sup>11</sup>.

The Yugoslav representation was headed by Colonel Obrad Cemic, his mission consisted of approximately 10 persons in the summer of 1945<sup>12</sup>.

*The Allied Control Commission and Hungarian Internal Affairs*

From February 1945 to September 1947 the ACC not only supervised the fulfilment of the armistice terms but also interfered in Hungarian political, economic and military affairs. In March 1945 the agrarian reform, which brought about fundamental changes in Hungarian social and property relations (approx. 35% of the arable land was redistributed), was carried out under the directive of Marshal Voroshilov who failed to consult his western colleagues or even to inform them of his proposed action. The decree was issued on 18 March while the first regular meeting of the ACC was held only on 26 March, 1945. Although there was agreement among the major political parties in the country as to the necessity of land reform and the allotment of large estates among landless peasants, the date, manner and the extent of it was determined by the Marshal. Moreover Voroshilov and his political adviser, G. M. Pushkin, informed the President of the Provisional National Assembly, Béla Zsedényi, that no meeting of the Assembly would be held to discuss the land reform, and this action would be taken in the form of a decree to be issued by the Provisional National Government<sup>13</sup>.

<sup>10</sup> Members of the mission in September 1945 were Dr. Vladimír Daxner, Dr. Julius Višnovský, Ladislav Staško, Vincent Humčik, Jan Čaják, Dr. Rudolf Bystrický, Dr. Ladislav Hradský, Stefan Hricisák, Dr. Jozef Ambrus, Dr. Martin Mares, Vladimír Rosínský, Olga Kollárová; Reparation Mission: Ing. Ivan Grúnik, Elena Grúniková, Imrich Mitro, Ružena Mitrová, Idiko Galová, Margita Juhásová, MOL XIX-J-1-k Csehszlovák Admin. 18. d.

<sup>11</sup> Ferenc Nagy: *The Struggle Behind the Iron Curtain*, New York, 1948, p. 106.

<sup>12</sup> Members of the Yugoslav Mission were Obrad Cemic, Jovan Lončar, Mihailo Javorski, Pal Kovač, Trujko Spahić, Nikola Milanić, Dr. Vladimir Gavrilović, Mirko Vukotić, Djordja Milanić, Rajko Popović, Lazo Brankov, MOL XIX-J-1-k Jugoszláv Admin. 15. d.

<sup>13</sup> Box: 52, Record Group: 338 ACC Hungary, NA, Washington D.C.

Due to strong communist pressure, the Budapest municipal elections preceded the General Elections in the autumn of 1945. It was expected that the overwhelming Communist and Social-Democrat majority in the capital would influence public opinion thus the popularity of the Smallholders' Party in the country would diminish. But the results shattered all hopes and expectations that the Communists might have had; the Smallholders won a landslide victory in Budapest (50,39%) whereas the Communists and Social-Democrats together managed to get 42,77% of the total number of votes cast on October 7 1945. After the Budapest municipal elections it was expected that, unless measures be taken against them, the Smallholders would obtain absolute majority at the forthcoming General Elections. To avoid another Smallholder victory over the left-wing labour parties, Marshal Voroshilov and the Communist Party made an attempt to determine the composition of the future Parliament in an inter-party agreement. On October 16 1945 Marshal Voroshilov exerted pressure on non-communist parties with a view to making them accept a common electoral list. Had it been accepted, members of the new Parliament would have been elected in accordance with the inter-party percentages agreement instead of the actual results of the General Elections. (Such an electoral law and common list resulted in the victory of the left-wing parties in Bulgaria in November 1945.) Due to the strong resistance put up by the non-communist politicians and the public, as well as the repeated protests of the British and US representatives, the idea of the common list was rejected and separate party lists were introduced at the General Elections in November 1945.

At the first post-war General Elections held on 4 November 1945 the Independent Smallholders' Party (FKgP) obtained an overall majority of 57,03%, the Social Democrats won 17,41%, the Communist Party 16,95% and the National Peasant Party 6,87%. Despite its poor performance, the Communist Party, backed by the Russians, demanded one of the most important government portfolios, the Ministry of the Interior. The Communists threatened to resign from the government, which would have caused strong anti-government labour movement and Soviet retaliatory measures as well. Eventually, the Smallholders bowed to Soviet pressure and a Communist politician, Imre Nagy, was appointed Minister of the Interior. Although the Smallholders won the elections, they obtained only nine portfolios in the new Government led by Zoltán Tildy; the Communists and Social-Democrats acquired four portfolios respectively; the pro-Communist Peasant Party received one. After the November elections, the Communists controlled half the portfolios, including the Ministry of the Interior and the Police. This position provided an excellent opportunity for the Communist Party to liquidate all non-communist parties and other organisations by 1948-49.

In the spring of 1946 the Smallholders' leadership was forced to accept the leftist demands concerning the nationalisation of big factories, state control of large banks and fight against the right wing of their own Party. These actions were carried out by force by leftist mass movements and Soviet threat of economic reprisals. Parallel with these events, the Soviet representatives warned that unless the Government fulfilled its obligation to supply the Red Army, Russian troops would themselves settle the matter. Since the Smallholders could neither disregard nor resist the claims of the occupying Red Army in the end they acquiesced to the nationalisation program of the Leftist Bloc and expelled 20 Smallholder deputies from the Party. It was the Prime Minister's aim to appease the parties so that the coalition government could be upheld until the con-

clusion of the Peace Treaty when, as it was then believed, the Soviet occupying forces would be withdrawn from the country.

The 1946 summer crises shed light on the Soviet manner of interference in the political affairs and power relations of Hungary. On 17 June 1946 two Red Army soldiers were shot down in Budapest by a 17 year old student, who was member of the Catholic Agrarian Youth Organisation (KALOT). Citing this and other anti-Soviet plots, the Deputy Chairman of the ACC General Sviridov, in the absence of Marshal Voroshilov, immediately demanded the purge of the governing Smallholders of alleged reactionary and anti-Soviet elements, and the dissolution of certain Catholic youth organisations (e. g., Boy Scouts, KALOT, etc.). The General also demanded that strong measures be taken against the Catholic Clergy under the leadership of the Prince Primate of Hungary; Cardinal József Mindszenty, the resignation of the under-secretary of the Smallholders' Party Zoltán Pfeiffer, and the arrest certain Smallholder Members of Parliament. Prime Minister Ferenc Nagy refused to arrest the MPs and recall Pfeiffer but agreed to the dissolution of Catholic youth organisations. Sviridov's action, which tended to the weakening of the Smallholders' Party and to the waning of the Catholic Church's influence on Hungarian society, was taken in the name of the Soviet High Command without the knowledge of the British or US representatives. Generals Weems and Edgecombe did not receive copies of Sviridov's letter; their protests against the unilateral Soviet interference in Hungarian internal affairs were in vain.

By the end of 1946 leftist parties in Romania and Bulgaria gained total control over political life and obtained overwhelming majority in their respective parliaments. In spite of the aforementioned ominous signs, Hungary was then relatively independent of Communist control. Communist politicians thought the time had come for a concentrated attack on the pro-western Smallholders' Party at the end of 1946. As the Secretary General of the Communist Party, Mátyás Rákosi, later stated the Communists had seized power by slicing off non-communist political forces like slices of salami. The biggest "piece of the salami" was sliced off between December 1946 and May 1947. The most fierce offensive against the Smallholders' Party was made in connection with the Hungarian Community case. In December 1946 the Military Police and later the Political Police began to uncover an alleged anti-Soviet and anti-government conspiracy and arrested the plotters. The Community was a clandestine organisation set up during the war. Its membership comprised conservative and nationalist people, mostly retired army officers and right-wing politicians. They had made plans for a new political order after the war and the withdrawal of the Red Army. The conspirators had no arms, resources or organised troops, could not develop a large-scale movement and had negligible influence on Hungarian society. This conspiracy of minor significance provided an excellent opportunity for the communist controlled Political Police to break up the Smallholders' Party and to strengthen communist positions before the Peace Treaty came into effect and to prepare their subsequent takeover.

Béla Kovács, MP and Secretary General of the Smallholders' Party, was mistakenly accused of having been involved in the above conspiracy by the Political Police, and the National Assembly refused to suspend his immunity. Kovács undertook to testify at the Political Police, but the Russian Military Authorities still arrested him on charges of spying against the Soviet Union. He was taken into custody on 26 February 1947 and interrogated by the Russian military authorities. When the inves-

tigation was completed, Kovács was taken to the Soviet Union. There he was sentenced to 25 years of imprisonment without having ever been convicted in a trial. In 1955 he was transferred to Hungary and was subsequently released in 1956.

The next step in the process of Communist takeover was to depose the Smallholder Prime Minister, Ferenc Nagy. General Sviridov and the Russian authorities played a dominant role in this as well. Prime Minister Ferenc Nagy went to Switzerland on vacation in May 1947. This opportunity was promptly seized by the Communist Party to clamp down on the Smallholders' Party and the Prime Minister on the pretext of his alleged participation in the Hungarian Community conspiracy. General Sviridov refused the Prime Minister's request that he had made before his departure i. e., Béla Kovács should be handed over to the Hungarian authorities for trial. General Sviridov stated that the investigation was in process and handed over some police records to Nagy's Communist Deputy, Mátyás Rákosi, containing Kovács' alleged confessions against the Prime Minister. The intimidated leaders of the Smallholders' Party complied with the Communist demand and accepted the resignation of the Prime Minister. Having been threatened with arrest by the Political Police, Nagy resigned on 2 June and left for the USA. The Smallholder Lajos Dinnyés, former Minister of Defence, was appointed Prime Minister on 2 June 1947.

On 31 August 1947 General Elections were held in Hungary. The elections, although to a smaller degree, were rigged by the Communist-led Ministry of the Interior<sup>14</sup>, and the Hungarian Communists backed by the Russian Occupying Forces. After the elections the Hungarian Communist Party became the strongest party of the country with 22,25% of the total vote, its leftist ally the Social Democratic Party received 14,88% of the vote, the Smallholders suffered a major defeat with having gained only 15,38%. Fifteen days prior to the ratification of the Peace Treaty, the Communist Party had eliminated its greatest rival of all political parties and had established a dominant position.

#### *Statutes and Meetings of the ACC for Hungary*

The Soviet Peoples' Commissar for Foreign Affairs, V. M. Molotov, sent the Statutes of the ACC for Hungary to the American Ambassador in the Soviet Union, W. A. Harrimann and the British Chargé d'Affaires A. J. Balfour, on the day of signing of the Hungarian Armistice Agreement. The Statutes, which had been previously agreed to by the allies, regulated the manner of procedure of the ACC during the period from the moment of entry into force of the armistice to the end of hostilities against Germany. The Statutes provided that the commission would be composed of a) a staff, b) a political division, c) an administrative division, d) a military division, e) an air force division, f) a river fleet division, and g) an economic division. Article 4 of the Statutes stated that the Chairman would inform the British and American representatives of policy directives involving matters of general importance prior to the issuance of such directives to the Hungarian authorities in the name of the ACC. Article 5 stipulated that the British and US representatives would have the right among others to receive all kinds of information and copies of documents on any

<sup>14</sup> Concerning the election arrangements, see US Minister in Hungary Selden Chapin's report of 31 August 1947. FRUS 1947, vol. IV, pp. 363-364.

matters connected with the fulfilment of the armistice agreement, to determine the size and composition of their delegations and the amount of money needed for their expenses. The British and US missions could communicate with the Hungarian Government only through the Soviet Chairman of the ACC and they had to apply for permission in case of journeys to the provinces.

The Statutes of the ACC for Hungary, which were prepared by the Soviets simultaneously with the Armistice Agreement and came into force at the signing of the Armistice, did not regulate the manner in which ACC meetings would be convened. It provided that during the so-called first period, the Chairman or the Vice-Chairman of the ACC would convene the meetings. At the armistice negotiations the manner of convening meetings was not a fundamental issue. Both the American Ambassador and the British Chargé d'Affaires in Moscow raised objections about the very limited role of the US and British Military Missions, but Molotov had the dominant Soviet position accepted by referring to the military interests of the Soviet Union. The American Briefing Book Paper prepared for the Yalta Conference<sup>15</sup> accepted that the operation of the Allied Control Commissions in Romania, Bulgaria and Hungary would be in the hands of the Soviet military authorities in the period before the surrender of Germany. These Commissions were organised on the same general pattern as the Allied Commission for Italy with the same dominant position but at this time for the Russians. The US Ambassador to the Soviet Union, Averell Harriman, started the Hungarian armistice negotiations in accordance with this tacit agreement, under instructions from the US Secretary of State, Cordell Hull, in October 1944<sup>16</sup>. Although the western delegations accepted the leading Russian role during the military period of the Armistice, they tried to put in writing the equal right of the American and the British Military Missions for the second period. The special assistant of the US diplomatic mission, Frederick T. Merrill, once remarked that the US was just a nominal member of the Control Commission<sup>17</sup>. At the same time, Merrill pointed out that the unilateral Soviet activity would be used as a precedent for the functioning of the Allied Council for Japan. Another benefit of this nominal member status, according to Merrill, was that this situation diminished the United States' responsibility for the welfare of the Hungarian people.

This unequal status of the Western and Soviet military missions was accepted by the US draft of Statutes, completed by January 1945<sup>18</sup>.

In the official Statutes of the ACC for Hungary<sup>19</sup>, which was sent by V. M. Molotov to A. Harrimann and J. Balfour on 20 January 1945 and came into force immediately after the signing the Armistice Agreement, the Soviet Union assumed an obligation that during the so called first period the (Soviet) Chairman would call meetings and inform Western representatives of policy directives of general importance prior to the issuance of them to the Hungarian authorities. There was no obligation concerning the method of convening ACC meetings or the regularity of such conferences. (Although

<sup>15</sup> FRUS, *The Conferences at Malta and Yalta 1945*, pp. 238-245.

<sup>16</sup> FRUS 1944, vol. III, p. 907.

<sup>17</sup> Frederick T. Merrill, *Review of Events in Hungary to End of 1945 Concerning the Period of the Formation and Recognition of an Elected Government*, NA, Record Group 59, 864,007-2045

<sup>18</sup> 711.9 Allied Control Commission, Record Group 81, Budapest Legation File, NA, Washington D.C.

<sup>19</sup> For the entire text of the Statutes see Annex B

at the first formal meeting of the commission on 26 March 1945 an agreement was concluded that ACC meetings would be held twice a month, the next formal meeting was called to order in June 1945.)

When the war against Germany was over and the second period of the Armistice began, the United States initiated the revision of the Statutes of the ACC and the enforcement of equal status for the western military missions. The Head of the US Military Mission, General Key, and the Head of the British Mission General Edgcombe recommended to Marshal Voroshilov that there should be American and British representatives on all sections of the ACC, the Chiefs of US and British Representations should have equal status with the Soviet Chairman as Vice-Chairmen and that decisions and orders should be approved by the three participating members before they were issued or acted upon<sup>20</sup>.

The revision of the Statutes of Control Commissions for Romania, Bulgaria and Hungary was taken place after the Potsdam Conference. At the last Conference of the victorious Allies held between 17 July and 2 August 1945 it was decided that "the revision of the procedure of the Allied Control Commissions in these countries [i. e. Romania, Bulgaria and Hungary] will now be undertaken [] accepting as a basis, in respect of all the three countries, the Soviet Government's proposals for Hungary"<sup>21</sup>. After the Potsdam Conference the above cited words were interpreted in a radically different way by the Soviet and the Western diplomacy.

The Soviet Union considered that the Soviet proposals regarding the Statutes of the ACC for Hungary, dated 11 July 1945,<sup>22</sup> were indisputable so accepted the revision of the procedures of the ACC for Romania and Bulgaria had to be carried out on the basis of these new Statutes. Generals Edgcombe and Key regarded the Soviet note as a proposal which was subject to dispute and tried to put the matter on the agenda of the ACC meetings. American and British attempts were rejected by Marshal Voroshilov who was not ready to discuss the new Statutes of the ACC for Hungary with his western colleagues. At the ACC meeting of 22 August, Marshal Voroshilov firmly stated that General Key's intention to put the new procedure on the agenda was a misunderstanding and that there was no Soviet proposal but the new official Statutes. It was also clear that the new Statutes included some of the British and American proposals. The western representatives were allowed free movement in the country but they had to inform the Soviet authorities in advance of the time and route of their proposed trip. The new Statutes provided that the ACC meetings would be called once every ten days, or more often if required. According to the new procedure, the directives pertaining to principal questions would be given after an agreement with the American and British representatives. As a matter of fact, there was no real change in the work of the commission after the amendment of the Statutes because Marshal Voroshilov, and later his deputy General Sviridov, could decide himself whether or not a question was of principal importance. The US and British Military Missions could communicate with the Hungarian authorities only through the Chairman of the Commission. Even

<sup>20</sup> *Commanding General's Narrative Report of Operations United States Military Representation on the Allied Control Commission for Hungary*. Department of the Army, The Center of Military History, Washington DC 8-3.3 BA

<sup>21</sup> FRUS, *The Conference of Berlin, 1945*, vol. II, pp. 1458-1459.

<sup>22</sup> FRUS 1945, vol. IV, pp. 834-835.

the US diplomatic mission led by Arthur Schoenfeld could receive any official information only through the Soviet authorities from the Hungarian organs. This unusual diplomatic practice continued after the resumption of normal diplomatic relations between the US and Hungary.

Although the new Statutes provided that ACC meetings should be held once in every ten days, they were usually held twice a month. The Commission also held formal and informal meetings with the participation of heads of missions to discuss the most important matters in connection with the fulfilment of the Armistice Terms, the work and billets and furnishings of the military missions and major Hungarian political events. Military and civil experts of the delegations discussed certain issues at special meetings. During the two and half year activity of the Commission, there were fifty formal and informal meetings held. (The meetings of ACC divisions — political, administrative, military, air force, river fleet and economic divisions — and occasional discussions of members of different missions are not included in this number.)

At the ACC meetings all delegations made their own minutes of which we published a selection from the most accessible American and British documents in this volume. Regrettably, the Russian minutes are practically inaccessible at present. In this volume we present the more detailed, verbatim American minutes and complete this collection with the more compact summaries of the British delegation where it is needed.

The minutes reflect the atmosphere of the meetings and the ambition of the different missions but from the words of the officers the reader can also register the changing Great Power relationship.

During the first period of the Armistice, i. e. from February to July 1945, the Commission seldom held meetings and the atmosphere of these conferences was usually cordial. As Special Assistant Frederick T. Merrill noted in July 1945, during the entire first phase of the Armistice there was no consultation or co-operation between the Chairman and the other members of the Commission, and the United States Representation was unable to participate effectively in the work of the commission<sup>23</sup>. During these months western representations accepted the unilateral nature of Soviet actions and their own nominal membership because they held the Red Army in high esteem for defeating their common enemy, Germany.

In the second period of the Armistice meetings were held more regularly. The participants discussed many more items than before and there were sharp political debates among them. The atmosphere of these conferences was radically changed by the unilateral imposition of the Soviet version of the ACC statutes in August and the evident Soviet interference in Hungarian internal affairs.

The differing American and British policy towards Hungary and the Soviet penetration into Central Europe are clearly reflected in the activities of their representatives. Because of the scope of this volume, we can not examine in detail the United States' and Great Britain's<sup>24</sup> Central European policy. We can only comment on the differences

<sup>23</sup> Merrill, *ibid.*

<sup>24</sup> Regarding American and British policy towards Hungary in this period see among others: Götz Lundestad, *The United States, Great Britain and the Origins of the Cold War in Eastern Europe in The American "Empire" and other Studies of US Foreign Policy in a Comparative Perspective*, pp. 143-175.

between their intentions and considerations. The fact that the Red Army occupied central and eastern Europe greatly determined the future of this region and diminished western influence. Moreover Great Britain had been committed to the so called "percentages agreement" vis-à-vis the Soviet Union for a long time and they had to keep in mind the fact that the situation in Greece was strongly tied to the position of the east European countries. The British commitment in Greece was bound up with their very limited role in Romania, Bulgaria and Hungary. The United States did not participate in the "percentages agreement" and theoretically the enforcement of the Yalta Declaration on Liberated Europe was the main goal for American diplomacy as far as the fate of Central Europe was concerned; therefore, the region was of secondary importance. The first American consideration was the supremacy of military interests and they accepted the more direct Soviet military interests in the region. On the other hand, Italy and Poland were much more important for American diplomacy than the fate of the small countries in central and eastern Europe. Both western powers saw reluctantly the Soviet penetration into the territory but they tried to prevent the Soviet Union from gaining total control over those countries in different way. While the United States refused to recognise the non-representative Romanian and Bulgarian governments and demanded the formation of democratic and representative governments Great Britain tried to speed up the Peace Treaty negotiations and advance the ratification of it for the sake of early withdrawal of the occupying Red Army. This difference is clearly reflected in the minutes of the ACC meetings. The American representation put Hungarian political matters on the agenda of the ACC meetings and often protested against Soviet interference in Hungarian internal affairs and also regularly rejected Soviet efforts to eliminate western economic and political positions in Hungary. Although the British representative General Edgumbe generally supported his American colleague in these debates, he considered his primary task the defending of British interests in Hungary and the acquisition of proper billets and furnishing for his mission.

Heads of Soviet, British and American military missions — Marshall Voroshilov or his deputy General Sviridov<sup>25</sup>, General Edgumbe and General Key or the latter's successor General Weems — usually attended the formal ACC meetings accompanied by 5-10 high ranking officers of their missions. In the informal meetings of mission leaders generally smaller delegations discussed certain special matters. We have no data whether or not meetings were held at place(s) other than the Headquarters of the Soviet ACC Mission. In these fifty conferences the participants discussed more than 300 different items on the agenda, not including actual questions raised out of the agenda.

In the above mentioned fifty conferences the most frequently occurring item on the agenda was the fulfilment of 13 Article of the Armistice, which provided that all legal rights and interests of the United Nations and their nationals on Hungarian

Geir Lundestad, *The American non-policy towards Eastern Europe 1943-1947*, Tromsø-Oslo-Bergen, 1978, pp. 115-183. Stanley M. Max, *The United States, Great Britain, and the Sovietization of Hungary*, New York, 1985.

<sup>25</sup> Marshal Voroshilov left for Moscow in March 1946 and the Commission was lead by his deputy General Sviridov from then on. This constituted an excellent opportunity to postpone certain decisions or refuse answers with reference to the absent Chairman.

territory would be restored as they existed before the war and that their property would be returned in complete good order. This Article pertained to the share held by the Standard Oil Company of New Jersey in the Hungarian-American Oil Company (MAORT), but the situation of Standard Electric, the Socony Vacuum Oil Company or the Singer Sewing Machine Company was very similar to that of the Standard. The intention of American diplomacy was to protect their companies from being dismantled and removed by the Soviet military authorities either as war booty or as compensation on the basis of Article 12 of the Armistice. Their representatives also tried to secure equal rights for American enterprises in Hungary and to settle compensation for their wartime losses. These efforts had very limited results since one of the principal method of Soviet economic penetration in central Europe was the liquidation of western companies and their shares. The major American interests in Hungary were liquidated by the occupying Soviet authorities and the pro-Soviet Hungarian politicians by way of dismantling and removing or compulsory production for the Soviet Union, political trials against the pro-western management of these enterprises and finally by way of nationalisation in 1948-1949. British citizens had fewer interests in Hungarian enterprises so the British Mission considered its main task the protection of real estates and personal property of British citizens.

Apart from British and American properties and interests, the most frequent item on the agenda was clearances for British and American officers or their relatives, politicians, businessmen or employees of relief organisations. Slowness and tardiness in granting these clearances were some of the major complaints of the western missions during their two and half year activity. Moreover the granting of clearances was often refused by the Soviet occupying authorities without giving any reason. As Frederick T Merrill pointed out in one of his reports, although the question of clearances was the subject of discussion in every ACC meeting from January to October 1946, repeated American and British protests as regards procedure were to no avail<sup>26</sup>.

The billets, furnishing and expenses of the British and American missions were also frequently discussed topics at the ACC meetings. (The Soviet Mission with Red Army backing had no difficulties with their furnishing.) Although Article 11 of the Armistice Agreement provided that Hungary would make regular payments and provide commodities for the needs of missions, there was continuous debate between Hungarian government organs and the US and British representatives, and even among the three delegations' leaders, on the sufficient degree of furnishing and the standard of life of mission members. Government attempts at economising the supply of missions and press criticisms on British and American expenses were discussed more than twenty times at meetings.

The repatriation of Hungarian prisoners of war and displaced persons was a very important question. Billeting of more than 200,000 Hungarians in the US zone of occupation in Germany was quite burdensome for the American military authorities so the US Mission in Hungary was permanently keeping this issue on the agenda of the ACC for Hungary. The increasing tension between the US and Soviet missions in

<sup>26</sup> Frederick T. Merrill, Review of political events in Hungary covering the period from the inauguration of the Republic to the Paris Peace Conference, 711.9 Allied Control Commission, Record Group 84, Budapest Legation File, NA, Washington D.C.

the summer of 1945 was caused by the Soviet obstruction of the repatriation of Hungarians from Germany. (Approximately, 250,000 Hungarians were repatriated to Hungary from September 1945 until May 1947 from the US zones of occupation.)

An other regularly discussed matter was the expulsion of the German minority called Schwabs from Hungary to the American zone of occupation in Germany. (The expatriation of Germans began in January 1946 and approximately 125-305, 000 Hungarian citizens of German ethnicity were transported to Germany<sup>27</sup>.)

Other frequently discussed matters were the organisation and reorganisation of the Hungarian Armed Forces and the extremely high percentage of communists in the Hungarian police.

Cultural and press matters were relatively often raised because, on the basis of Article 16 of the Armistice Agreement, all kinds of publications, presentation of theatrical performances or films, running of postal, telegraphic and telephone services had to take place in agreement with the Allied (Soviet) High Command. Western delegations protested many times against Hungarian press articles, written on their activities and condemning their conduct and the expenses generated, because Article 15 obliged the Hungarian Government not to tolerate propaganda hostile to the United Nations. (The biggest scandal occurred in January 1946 when an article of the communist daily Szabad Nép strongly criticised the extravagant life style of British and American officers at the expense of the Hungarian Government<sup>28</sup>.)

Not too often raised questions concerned Hungarian war criminals; Hungarian internal affairs, political struggles and elections (during the two and half years these matters were discussed only 15 times); the manner in which the commission operated (first of all the revision of the statutes and rights of different delegations and their members); fate of citizens of the United Nations; Hungarian compensation to the Soviet Union, Czechoslovakia and Yugoslavia; German assets in Hungary; the condition of the Hungarian economy; the persecution of Hungarians in Slovakia.

These minutes of ACC meetings provide ample proof that the Commission, during its 32 month operation, had a decisive role in Hungarian internal and external affairs, economic, political cultural life, regulated the degree and timing of land reform, controlled the forming of Hungarian cabinets. The Soviet element of the commission, on the basis of their interpretation of the Armistice Agreement and the support of the Red Army, was in the position to control all measures by local governments or the Hungarian Government in advance, to enforce its interests, to decide on the issuance of new banknotes or dismissing the leadership of the Hungarian National Bank, to settle land reform procedure, to decide on the priorities of Hungarian foreign trade or dissolve religious associations, to control the formation of new political parties, the holding of elections and the overthrow of the lawful government.

These decisions were certainly taken by the Soviet component of the commission on Moscow's instructions without any discussion with the other members of the ACC. Although it was in contravention to the Statutes of the ACC, the British and American Missions were usually informed of the most sensitive political decisions taken in the

<sup>27</sup> Regarding expatriation of Germans from Hungary see: FRUS, 1947 vol. IV, pp. 375-381.

<sup>28</sup> *Virágzámla - mint fegyverszüneti kötelezettség (Flower Bill - As Armistice Obligation)*, Szabad Nép, January 6 1946.

name of the Control Commission by the Hungarian press or personally by the pro-western Hungarian politicians. In the ACC meetings the western missions attempted to receive explanations regarding the decisions or copies of the original directives, but usually to no avail. This is what happened, for example, in June 1946 when the management of the Hungarian National Bank was dismissed, in July 1946 when religion associations were dissolved on General Sviridov's demand, during the investigation of the Hungarian Community case, the arrest of the secretary-general of the governing Smallholders' Party and the deposition of the Prime Minister were all unilateral and clandestine Soviet actions.

Through the activities of the Soviet chairmen of the Allied Control Commission and the Red Army, the Soviet Union could create appropriate political, economic and cultural conditions for a long-term occupation lasting long after the ratification of the Peace Treaty.

Therefore documents contained here are essential sources of post-war Hungarian history, and contribute to the study of great power policy-making at the inset of the Cold War.

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## EDITORIAL NOTES

Fifty documents have been selected for this volume from a larger number of available documents from the period. The bulk of these are from the National Archives in Washington, D. C. (NA). Where documents of certain meetings were not found at the NA by the author, relevant documents were selected from the vast collection of the Public Record Office in London and the Archives of the Political History Institute in Budapest. All of them are quoted in chronological order. Misspellings have been corrected or indicated in footnotes, especially that of Hungarian geographical and personal names. Further, present-day American or British spelling rules have been applied throughout the book, depending on whether the American or the British Military Mission produced the given document.

There are several personal names mentioned, especially with regard to clearances, whose identity the author has not been able to establish. Archival references are in conformity with US and British rules. A select biography has been added containing short entries mainly on Hungarian personalities whose names occurred most frequently at meetings.

This volume is the first in a series entitled *Iratok a magyarországi SZEB történetéhez* [Documents Relating to the Activities of the ACC in Hungary]. The subsequent volumes will be published in the near future.

## DOCUMENTS OF THE MEETINGS OF THE ALLIED CONTROL COMMISSION FOR HUNGARY

### 1.

*Conference of 27 February 1945*

Memorandum of the first informal meeting of the ACC where matters in connection with the running of the Commission were discussed

28 February 1945

FROM: Colonel Townsend<sup>29</sup>

TO: CG

Memorandum on Conference with Maj. Gen. Levushkin<sup>30</sup>, Executive of ACC for Hungary at Russian Headquarters, 27 February 1945, 17.00 hours.

AUTHORITY: CG; Memorandum to Colonel Townsend, 26 February 1945<sup>31</sup>.

PLACE: Office of Maj. Gen. Levushkin.

PRESENT: Colonel Townsend, Colonel Gillespie<sup>32</sup>, and Lt. Col. Cherkasov<sup>33</sup> and Captain Czerniuk<sup>34</sup> as interpreters.

1. Colonel Townsend opened the interview by expressing our appreciation to General Levushkin for seeing us and stated that there were several matters which we wished to discuss in order, in a general way, to bring ourselves up to date and prepare to cooperate most efficiently with the Marshal's plans for functioning of the Commission.

2. General Levushkin inquired first whether these matters had been discussed by General Key<sup>35</sup> with Marshal Voroshilov<sup>36</sup>. The reply was negative.

3. General Levushkin then stated that we were welcome to full information and that we could obtain it by going directly to the heads of their military sections.

4. Colonel Townsend replied that we did not have a list of their officers in charge of various sections and that in any case we had not felt free to go directly to them without General Levushkin's permission; that now, having this permission, we would be pleased to avail ourselves of his authorization.

5. List of Russian Officers: CG's Memo., par. 2 a, b: Lists of Russian officials with their positions in ACC are to be given us.

<sup>29</sup> Colonel Dallas S. Townsend, Chief of the Economic Division of the United States Military.

<sup>30</sup> Major General I. I. Levushkin, Chief of the Headquarters of the Allied Control Commission.

<sup>31</sup> Not printed.

<sup>32</sup> Colonel Frank W. Gillespie, Chief of the Military Division of the United States Military Representation.

<sup>33</sup> Lieutenant Colonel M. I. Cherkasov, Chief of the Liaison Section of the Soviet Military Representation.

<sup>34</sup> Captain Edward J. Czerniuk, member of the Information Section of the United States Military Representation.

<sup>35</sup> Major General William S. Key, Chief of the United States Military Representation on the Allied Control Commission.

<sup>36</sup> Marshal of the Soviet Union, Kliment Efremovich Voroshilov (1881-1969), Chairman of the Allied Control Commission for Hungary, 1945-1947.

6. Copies of policy directives and information: CG's Memo., par. 2 c, d and e: We are to obtain specific information from heads of the Russian sections.

7. Visits to provinces: CG's Memo., par. 2 c: If it is desired to visit a province in the front line area, permission must be obtained from the front line commander. If it is desired to visit any other provinces, the General said: "Just get into your jeep and take off."

8. First Conference: CG's Memo., par. 2 c: General Levushkin did not know when the first conference or meeting of ACC would be held, as the Marshal would decide that and he had no idea when it would be fixed<sup>37</sup>.

9. Estimate of the cost of Mission: CG's Memo., par. 2 c: Our estimate of cost should include rental value of present quarters and subsistence and estimate of future needs. General Levushkin said that they would include cost of gasoline, cable charges and items of expense of every sort.

10. Establishment of branch offices and operation of Commission: CG's Memo., par. 2 f: General Levushkin dealt with all questions of this nature at length in a general discussion. He said that they had just arrived, had not been thoroughly organized, had found it so far impossible to obtain all the officers they need, that the division into sections set out in the statutes of the Commission<sup>38</sup> would require some modification, and that at present it could not be said just how the Commission would be organized in detail. The General went on to say that so far practically nothing had been done to fulfill the terms of the armistice<sup>39</sup>, that there had been negotiations with the Hungarian Government in regard to prisoners of war and activating Hungarian military units.

Reparations<sup>40</sup>: General Levushkin remarked that they realized that at present Hungary could not pay the agreed reparation and maintain and working internal economy; that consequently they had asked the Hungarian Government to obtain experts in the various economic questions relating to reparations, that these experts were to make reports which would be studied by them (that is, by the Russians) and that schedules of payments could be then considered.

11. Clearance for representatives of relief agencies: CG's Memo., par. 2 g: General Levushkin said that it was the function of the ACC to supervise and control enforcement of the terms of the armistice agreement, and that it was not within the province of the ACC to grant clearances for representatives of relief agencies, that such clearance would have to be obtained from Moscow.

12. Colonel Gillespie inquired concerning the entrance of newspaper correspondents. General Levushkin inquired whether they were military correspondents or general correspondents. The reply was: "Both so far as we know." General Levushkin then said that if correspondents desired to come in with the sole purpose of writing about the ACC, that would be a matter for him to consider; that if they desired to

write stories concerning the people and conditions other than those relating to the work of the ACC, clearance would have to be obtained from Moscow.

13. Colonel Townsend said there was one other matter as to which they wished to explain their procedure. He said that some persons had come to the American representation with complaints of alleged damage or misconduct by Russian troops; that in these cases our procedure was as follows: If the complainant claimed to be an American citizen, the claim of citizenship was referred to Mr. Squires for investigation; that if American citizenship was not claimed, we informed the complainant that his complaint was not a matter with which we could be concerned. Colonel Townsend said that we were somewhat apprehensive that incorrect reports of our procedure might be made and that accordingly we wished to explain precisely the course we were following, and that if General Levushkin had any other suggestion we would be glad to have it and be guided accordingly. The General replied that his authorities were anxious to deal with any molestation of civilians by the troops and would like to have such alleged cases brought to their attention.

14. Concluding the interview, Colonel Townsend expressed the appreciation of General Key for General Levushkin's consideration in seeing us and giving us so much time.

*Dallas S. Townsend  
Colonel, FA*

1. The provisions of the Armistice Agreement are slowly but surely being carried out. Before the Russian ACC arrival nothing had been done to act upon the terms of the agreement. Since the Russian arrival things are shaping up, but are not functioning in full swing because it takes time to set everything up.

2. List of officials will be given to us through the liaison office.

3. Organization of the 8 Div are being slowly made, but due to the shortage of officer personnel and equipment, transportation, necessitated the Russians to supply same to the Hungarian govt. Further details on the progress of the organization of the Div can be obtained from the Military dept of the ACC.

4. Permission was granted to visit any of the departments to obtain any information on the progress of the mission.

5. In the economic field of the Hungarian govt one of the requirements was to pay some \$200,000,000.00 but since the Hungarian govt cannot meet the sum without first throwing the nation into economic chaos, Miklós<sup>41</sup> in conference with Marshal Voroshilov had agreed on a recommendation to call in Hungarian experts on economics and such matters will be discussed at the meeting of the ACC. Even the payment in material is not advisable at present because its production had been stopped, however these items will be taken up at the meeting of the ACC.

6. The first meeting of the ACC will be when Marshal Voroshilov calls it, the Gen [Levushkin] was in no position to answer or give a definite date: said it is up to the marshal to name the time and date.

7. Permission of entrance of the relief workers, as the Gen put it, is not the business of the mission. If the relief workers were here to work for the mission permission would be granted by the ACC, but since it will do the work for the civilians

<sup>37</sup> The first meeting of the ACC was held on 26 March 1945. See document 2.

<sup>38</sup> According to the Statutes of the ACC, the Commission was composed of seven divisions: a) staff; b) political division; c) administrative division; d) military division; e) air force division; f) river fleet division; g) economic division. For the Statutes, see Appendix B.

<sup>39</sup> For the Armistice Agreement, see Appendix A.

<sup>40</sup> Article 12 of the Armistice Agreement signed in Moscow on January 20, 1945 stipulated that Hungary should pay reparations to the Soviet Union amounting to \$200 million, and \$100 million to Czechoslovakia and Yugoslavia. See Appendix A.

<sup>41</sup> Béla Dálnoki Miklós (1890-1948), Prime Minister of Hungary, December 1944 - November 1945



its clearance must be obtained from Moscow. At this time the Gen mentioned that if additional personnel was required for our mission then such request would be acted by the ACC, the British had brought someone in that was neither approved by Moscow nor per by the ACC.

8. Permission to visit various provinces was granted: Gen said: just jump in a jeep and take off, but only such provinces that do not lie in the combat zone, then permission must be obtained through the ACC to the High command at the Front.

9. Permission for entrance of news paper correspondents must be taken up through our political advisor and discussed with their political advisor, because the news men are interested in things that pertain to people, country, and govt. and that goes under the political dept.

10. Expenses: The Russians want us to include everything and anything that pertains to the function, or the proper function of our mission, these expenses should include and then the Gen cited that: the Russians include the Hotel, food, gas, electricity, hired help, transportation, etc. and said that we too must include everything because that is part of the agreement of the armistice. The estimate of expense should be submitted, but no hurry for it, at our convenience.

11. Hungarians bothered by the Russians. Col. Townsend had expressed our position on the situation and explained that if they were Americans their identity would be checked by the political advisor, the Gen. was pleased, but also said that if we hear of any facts where the Russian troops molested the Hungarians, please notify us also because where the mission is there must be law and order; this is not only desired by all members of the mission but also Representation and Marshal Voroshilov is most concerned.

12. Permission was granted to visit any member of the Hungarian govt. Gen. said: that it would be perfectly all right to go and discuss matters with them.

Box 49, Record Group 338, ACC Hungary; NA, Washington, DC.

## 2.

Conference of 26 March 1945

### Minutes of the first formal meeting of the ACC

27 March 1945

TO: The Chief<sup>42</sup>, USMR<sup>43</sup>  
Colonel Townsend

FROM:

SUBJECT: Notes on meeting of ACC 26 March.  
*Present:* Marshal Voroshilov, Lt. General Stahursky<sup>44</sup>, Ambassador Pushkin<sup>45</sup>, Major General Levushkin, Major General Belianov<sup>46</sup>, Colonel Ostrovsky<sup>47</sup>,

<sup>42</sup> Major General William S. Key.

<sup>43</sup> United States Military Representation on the Allied Control Commission for Hungary.

<sup>44</sup> Lieutenant General M. M. Stahursky, Deputy of the Chairman of the Allied Control Commission.

<sup>45</sup> Georgy Maximovich Pushkin, Ambassador Designate of the Soviet Union, political advisor to the Chairman of the Allied Control Commission.

<sup>46</sup> Major General A. M. Belianov, Chief of the Administrative Department of the Soviet Military Mission.

<sup>47</sup> Colonel I. I. Ostrovsky, Chief of Aviation Department of the Soviet Military Mission

and others, with Lt. Colonel Cherkasov and a senior lieutenant as interpreters; and

American: Major General Key, Colonel Townsend, Colonel Gillespie, and Captain Dietrich<sup>48</sup>, with Captain Czerniuk as interpreter; and  
British: Major General Edgumbe<sup>49</sup>, Commander Branson<sup>50</sup>, Mr. Chambers<sup>51</sup>, Mr. Stewart<sup>52</sup>, and others.

1. Marshal Voroshilov, as Chairman (in substance): The purpose of this conference is to report what has been done so far with respect to the execution of the terms of the Armistice Agreement, which was signed 20 January. The Russian section of the ACC arrived at Debrecen February 3. We had to find quarters and organize. At that time we expected to be in Debrecen a very short time; in this respect the situation has changed and it is now uncertain when we can go to Budapest<sup>53</sup>.

2. The Chairman (in substance): Art. 1<sup>54</sup>: We had a couple of meetings with the Prime Minister<sup>55</sup> to discuss the obligation to furnish eight infantry divisions. The Provisional Government had no military power, and has none. Two Infantry divisions of 10,500 men each are being formed. There are no tanks but only small arms and some light artillery. At least 90% of the enlisted personnel are released prisoners of war. Hungary has no weapons for these two divisions. As to the Annex to Art. 1, under which "operational documents" are to be handed over, we have received practically nothing.

3. General Key: Does the Marshal think these Hungarian troops will be of much value as fighting units?

4. The Chairman: That is doubtful; we should know in about three weeks.

5. The Chairman (in substance): As to Art. 2, the obligation of Hungary to evacuate Hungarian troops and officials from Czechoslovak, Yugoslav and Romanian territory, that obligation was already fulfilled because Russian troops evacuated these people for them. I asked the Prime Minister to issue a decree on this subject.

6. The Chairman (in substance): As to Art. 4, we found no large POW<sup>56</sup> camps or camps of internees. Our Second Front has a department which would care for American or British nationals found in POW camps; so far only two American and eight English nationals have been so reported.

7. General Key (in substance): We have complaints from American citizens in Budapest and I should like to inquire about the citizens who are reported to have been displaced from their homes and in distress.

8. General Edgumbe (in substance): We have information as to larger numbers of British Nationals and have taken up the question of sending representatives to Budapest to investigate.

<sup>48</sup> Captain William E. Dietrich, Chief of the Naval Division of the United States Military Mission.

<sup>49</sup> Major General O. P. Edgumbe, Chief of the British Military Mission.

<sup>50</sup> Commander E. H. C. Branson, member of the British Military Mission.

<sup>51</sup> S. V. Chambers, member of the Economic Sub-Section of the British Military Mission.

<sup>52</sup> J. B. Stewart, civilian member of the British Military Mission.

<sup>53</sup> The Allied Control Commission was transferred from Debrecen to Budapest between 12-24 April 1945.

<sup>54</sup> Article 1 (c) of the Armistice Agreement provided that the Hungarian government would make available at least eight infantry divisions for service for the Allied High Command. See Appendix A.

<sup>55</sup> Bela Dalmoki Miklós

<sup>56</sup> Prisoner of War

9. The Chairman: Thirty British are reported near Budapest. I asked General Belianov to check this and no refugees or prisoners of war were reported in detention camps. Marshal Malinovsky<sup>57</sup> cannot tell yet when representatives may be sent to Budapest; Budapest is near the front; the decision as to transfer of foreigners from Budapest devolves upon the front line commander.

10. General Edgcumbe (in substance): Under the Armistice Agreement the Hungarian Government has to provide displaced persons with food; our Minister Designate, Mr. Gascoigne<sup>58</sup>, has been told they would send food for British nationals but have no transportation. We feel great responsibility to our nationals in Budapest.

11. The Chairman asked General Edgcumbe to postpone this question for private conference later; but added in substance: You probably have not sufficient information and in any case there are millions of persons without homes.

General Key (in substance): I take this opportunity to thank the Marshal for the great consideration given our airmen who were prisoners of war and who have been returned to us; they have had the finest treatment and we are grateful; as to our other nationals, we ask that whatever treatment is given British or others should also be given them.

12. The Chairman (in substance): We will let you know details on these cases as soon as we have information.

13. The Chairman (in substance): As to Art. 5<sup>59</sup> persons in confinement, etc., we found practically none because the Szálasi<sup>60</sup> government had taken them all away. Should I read any decree in this connection?

14. General Key (in substance): It seems unnecessary to read these decrees, but we should like to have copies.

15. The Chairman: We can send you copies, but they will be in Hungarian.

16. The Chairman: As to Art. 6<sup>61</sup>, dealing with return of removed property, in fulfillment of this the Hungarian Government issued one decree and I will have copies given.

17. The Chairman (in substance): As to Art. 7<sup>62</sup>, handing over German war materials, we have no accurate information, but the ACC is taking some measures toward fulfillment of this obligation; we have some officers working on this question but I am unable to give exact information.

<sup>57</sup> Malinovsky, Rodion Yakovlevich (1898-1967), Marshal of the Soviet Union, commander of the Second Ukrainian Front.

<sup>58</sup> Gascoigne, A. D. F. (1893-1970), the British Political Representative and Minister Designate in Hungary between February 1945 and June 1946.

<sup>59</sup> Article 5 of the Armistice Agreement provided that Hungary should release all persons held in confinement in connection with their activities in favor of the United Nations or for racial or religious reasons. See Appendix A.

<sup>60</sup> Ferenc Szálasi leader (the so-called "National Leader") of the extreme right-wing Hungarian régime from October 15 1944. He was arrested by American troops and handed over to the Hungarian authorities, and executed for war crimes in 1946.

<sup>61</sup> Article 6 of the Armistice provided that Hungary should undertake to return all valuables and materials removed during the war from United Nations' territory. See Appendix A.

<sup>62</sup> In accordance with Article 7 of the Armistice Agreement, Hungary had to hand over as booty into the hands of the Allied (Soviet) High Command all German war material located in Hungary.

18. The Chairman (in substance): As to Art. 8<sup>63</sup>, prohibiting export of valuables, the Hungarian Government issued a decree on February 26; nothing more has been done.

19. The Chairman (in substance): As to Art. 9<sup>64</sup>, we have not found any such vessels.

20. The Chairman (in substance): As to Art. 10<sup>65</sup>, there are no such vessels in Danubian ports; at any rate we have no information as to such vessels.

21. The Chairman (in substance): As to Art. 14<sup>66</sup>, the apprehension and trial of war criminals, the Hungarian Government has issued a special decree as of January 25<sup>67</sup>, but as yet has not started on the trails of war criminals; only two have occurred so far; these two were sentenced to death and hanged<sup>68</sup>. At present the Hungarian Government is working on a list which so far includes 108 men. The Hungarian Government reports that 150 more are to be added and think that there are about 2,000 war criminals altogether. The majority is on territory where neither the Hungarian Government nor the ACC can reach them. When completed the list will go the American and British representatives.

22. General Key: I should like to ask whether all these decrees that have been mentioned were approved by the Marshal.

23. The Chairman (in substance): I will tell you later about that, but in general I asked Mr. Pushkin whether these decrees conform to the terms of the Armistice. He reported that they were in conformity.

24. General Key (in substance): The Marshal has omitted the sections from 10 to 14; I should like to ask whether any information is available with respect of Art. 12<sup>69</sup>, the reparations article.

25. The Chairman: This question was not discussed with the Hungarian Government only preliminary discussions have taken place.

26. General Key: Have there been any deliveries under Art. 12?

27. The Chairman: No.

28. The Chairman: As to Art. 15<sup>70</sup>, the undertaking to dissolve pro-Hitler and similar organizations, there are no such organizations known, but they may exist in secret.

29. The Chairman (in substance): As to Art. 17<sup>71</sup>, dealing with the restoration of Hungarian civil administration, on territory released from the enemy civil administration has been established; it is not very strong nor very good.

<sup>63</sup> Article 8 prohibited the export and/or expropriation of German properties from Hungary. See Appendix A.

<sup>64</sup> Article 9 obliged Hungary to return all vessels in Hungarian Danubian ports belonging to the United Nations to their owners. See Appendix A.

<sup>65</sup> Article 10 declared that all Hungarian merchant vessels would be subject to the operational control of the Allied (Soviet) High Command. See Appendix A.

<sup>66</sup> In accordance with Article 14 Hungary had to cooperate in the apprehension and trial of war criminals. See Appendix A.

<sup>67</sup> Decree no. 81/1945 ME (II, 5.) on the People's Courts.

<sup>68</sup> On 4 February 1945 two war criminals, Peter Rotvics and Sándor Szivós were hanged publicly in Budapest.

<sup>69</sup> See footnote 40.

<sup>70</sup> In accordance with Article 15 of the Armistice Agreement Hungary was obliged to dissolve all pro-Hitler or other fascist political, military, paramilitary and other organizations on Hungarian territory. See Appendix A.

<sup>71</sup> Article 17 provided that Hungarian civil administration would be restored in the whole area of Hungary separated by not less than 50-100 kilometers from the front line. See Appendix A.

30. General Key: Does the ACC have representatives in these areas?
31. The Chairman: Yes, ten up to the present.
32. General Edgcumbe: How are they distributed? – just to give us some idea of the organization.
33. The Chairman: The Chief of Staff<sup>72</sup> will have to give me the answer. (General Levushkin went out and brought back some documents<sup>73</sup> for the Chairman.)
34. The Chairman (in substance): As to procedure on decrees, when the Hungarian delegation returned from Moscow I asked Mr. Pushkin to find out whether there was a discrepancy between a proposed decree and the Armistice terms. That is about all that would be done.
35. The Chairman then read a list of the ten representatives already mentioned.
36. The Chairman (in substance): As to procedure as between the ACC and the Hungarian Government. I have not received any documents from or sent any documents to the Hungarian Government.
37. The Chairman: It would probably be a good idea to have such meetings as this, say, twice a month.
38. General Key expressed his appreciation for the Marshal's consideration in arranging the meeting and inviting other members of his staff.
39. General Edgcumbe expressed similar thanks and appreciation.
40. General Key (in substance): My Government would like to have a record, if it is possible to have it, of some of the oral discussions that have taken place. It would help us to keep our files. I would like to suggest, if the Marshal approves, that a Secretariat be set up; it would be helpful to us to have some central officer in charge to whom we could go for information without having to go to the Marshal on these matters, and it would better enable us to keep a record of proceedings.
41. The Chairman (in substance): The Statues of the ACC do not contain a provision for a Secretariat. The Statues give definite divisions. If we are going to make a record it would be a good idea to have a secretariat, but otherwise it would be unnecessary. We have a Chief of Staff who receives information from all sources and it is available.
42. General Key: The Marshal's decision is my decision and his plan is entirely agreeable to me.
43. The meeting thereupon adjourned.

Dallas S. Townsend  
Colonel, GSC

Box 37, Record Group 338, ACC Hungary, NA, Washington, DC

<sup>72</sup> Lieutenant General Stabursky.

<sup>73</sup> These documents are not at the author's disposal.

3.

Conference of 24 April 1945

Memorandum of a meeting between Colonel Simmonite and General Levushkin regarding the repatriation of Hungarians, the status of the ACC and other miscellaneous matters.

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest  
28 April 1945

MEMORANDUM TO: Commanding General,  
SUBJECT: Conference with General Levushkin and Report of Action on Matters Discussed.

1. I had a very interesting conference with General Levushkin on Tuesday, 24 April, from 13.00 to 14.00. Major Czerniuk acted as interpreter. General Levushkin appeared to be very affable both from his manner and from his conversation as translated.

2. The matters discussed and subsequent action thereon is as follows:

a. *General.*

I stated that we wanted to be of service to the ACC-Soviet and that our Headquarters would appreciate the opportunity of presenting matters informally if he so desired in order to facilitate their handling and also to give any further explanation that might be required as to any letters sent to him. I also suggested that a Russian liaison officer would be most welcome at our Headquarters and that we might both benefit by such close cooperation.

General Levushkin replied that he would be delighted to discuss such matters informally and that any business we might wish to transact with him could be handled in this way. He said that any letters to be delivered or any routine matters could be handled between the liaison officers and that other matters could be handled between the General and myself on an administrative level so that the Marshal<sup>74</sup> and General Key would only have to discuss matters of great importance. In other words, he agreed to our suggestions for informal conferences at periodic dates. I informed him that we would send a note a day or so in advance by the liaison officer as to all matters we desired to discuss.

b. *Repatriates.*

I thanked him on your behalf for the permission to evacuate our repatriated airmen and asked him if he had any reply to our request for plane clearance.

<sup>74</sup> Kliment Efremovich Voroshilov, Chairman of the Allied Control Commission for Hungary.

General Levushkin replied that the Marshal had asked the Soviet Repatriation Committee to permit our Headquarters to evacuate these men inasmuch as they were airmen who had been forced down in Soviet controlled territory in territory subsequently controlled by the Soviets and had never become prisoners of war and that therefore they came technically under the jurisdiction of the Allied Control Commission rather than the Repatriation Team.

He stated he believed that this plan could be continued in the future and he also said that any other American military personnel who came under the control of our Mission or under the Soviet ACC or who were turned over to our Mission might be handled in the same way and that only actual escaped or released prisoners of war would come under the jurisdiction of the Repatriation Team.

(Note: On Thursday, 26 April, request for the special flight for moving the balance of the repatriated airmen was approved.)

*c. Pengő<sup>75</sup> Fund.*

I informed him that we had not received the Pengős from the Hungarian Government for our expenses for the month of April.

He stated that he would look into this matter immediately and have the money deposited in any bank that we might desire. I selected the National Credit Bank and he said that the money would be sent there. General Levushkin was very insistent that we charge the Hungarian Government with all of our expenses, even down to postage stamps, and that we should also make a record of the cost of the gasoline. I stated that inasmuch as the Soviets were furnishing the gas it would be necessary for them to inform us of the value in Pengős in order that a record might be kept in accordance with the request made in our letter.

(Note: The Pengő Fund was placed at our disposal and withdrawn from the National Credit Bank, 27 April).

*d. Austrian Currency.*

I informed him that we were interested in obtaining information as to the type of occupational currency that was used in Austria and also the rate of exchange between the occupational currency and indigenous currency in relation to the Ruble.

He said he did not have this information but that he hoped to go to Austria shortly and when he returned he would give us the information required.

(Note: General Levushkin left for Austria on Thursday, 26 April, and is expected back here in two or three days.)

*e. Colonel Agan at Sopron.*

I reminded him that we had written a letter concerning Colonel Agan, who was supposed to be located near Sopron. He stated that Sopron was still in operational zone and that the front line commander had been requested to obtain this information, which he hoped to have very shortly.

<sup>75</sup> Hungarian legal tender between 1927 and 1946.

*f. Commander Brannen ACC-Romania, Trip to Budapest.*

I told him that Commander Brannen of the Allied Control Commission in Romania, together with a Yugoslav who was the former manager of the Messerschmitt factory in Budapest, desired to come here to give technical information on that plant.

At first he said that the matter would have to be cleared in Moscow, but when I elucidated on the type of information that this man had available for the use of the Russians he seemed to think that permission could be granted locally for this car to cross the Romanian-Hungarian border.

He said that since moving to Budapest even the Soviet ACC had to secure permission to drive into Romania as the border patrols were under more strict orders than they were in the area near Debrecen.

*g. Status of Military and Diplomatic Missions, ACC-Soviet view.*

I told him that we had written a letter as to the State Department employees who came into Budapest last week. He said he had been criticized for not knowing the names of these people until after the plane had arrived.

He said that in a conference between Marshal Voroshilov and yourself you had indicated there would be about 75 people in the U. S. Mission.

I spent about ten minutes explaining to him that the Diplomatic Mission and Military Mission were considered separate and pointed out to him that while our statement as to 75 included only military personnel, we had not attempted to state the size of the diplomatic personnel.

General Levushkin stated emphatically that he considered the diplomatic and military personnel to be one group and that they were all representatives of the United States. He said that the British Military and Political Mission were considered on and Mr. Pushkin was under Marshal Voroshilov and that Marshal Voroshilov told Pushkin what to do and that all Russian civilians were under ACC control. After further discussion it was evident that he was either acting under instructions that he was stating the policy of the ACC-Soviet.

Further discussion being to no avail, I told him that we would be glad to let him know when the people were coming in after they had been cleared with Moscow in order that he might be advised of the names prior to arrival of the plane.

He replied that the ACC-Soviet was not interested in limiting the number of personnel, but that they did want to know how many were here or were coming in the future. He said he had the names of only 48 people.

I told him that we would be delighted to furnish him with a list of all the personnel present, listing separately the diplomatic and military missions and also would set forth by name all of the personnel that either we or the State Department intended to bring in the future as far as it was possible, and that we would further give him the approximate number of our total strength.

He indicated such a list would be most acceptable and that if he had this list he would then know who would be expected to arrive on future plane trips.

(Note: This appeared to be a satisfactory solution for notifying the ACC of the arrival of our personnel and accordingly a letter was delivered them on 26 April setting forth this information.)

*h. Ward<sup>76</sup> case.*

I brought up the matter of the answer to our letter in the Ward case. He stated that that was not under control of the ACC but had to be sent to higher authorities here and that although two separate requests for information had been made they had not received any reply. He seemed to indicate that they expected a reply, however, within the next two or three days.

(Note: Three days have elapsed and no reply has been received).

3. General Levushkin was very agreeable and even loquacious and he appeared to appreciate our desires to develop closer relations on the administrative level. He stated that he hoped we would be able to get around a lot and stated that very soon arrangements could be made for members of our staff to visit Vienna.

*Henry G. Simmonite<sup>77</sup>*  
Colonel, GSC

*Box 38, Record Group 338, ACC Hungary: NA, Washington, DC.*

#### 4.

*Conference of 17 May 1945*

Memorandum of an ACC meeting on the situation of American soldiers in Soviet occupied territory and U. S. interests in Hungary

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest  
22 May 1945

MEMORANDUM: To the Chief, United States Military Mission  
SUBJECT: Conference with General Levushkin

At a conference with General Levushkin, 11.00, 17 May all of the pending matters of the ACC-H<sup>78</sup> (Soviet) were discussed. General Levushkin was quite affable and had obtained his files of all of the matters of the discussion.

The following topics were discussed:

*a. Norman B. Ward.*

The General exhibited a folder containing about 14 letters and stated that he had addressed inquiries to all of the agencies which might have knowledge of the whereabouts of Mr. Ward and had received negative replies to all but two letters which were as yet unanswered. He said that he was repeating his request for information

<sup>76</sup> Norman B. Ward, an American citizen, was arrested by the Counter-Espionage Detachment of the Third Ukrainian Army Headquarters near Vienna in February 1945. The American Embassy in Moscow was informed by the Soviet Foreign Ministry in November 1945 that upon his arrest Mr. Ward had confessed to the Soviet Military authorities that he had been connected with „Abestelle”, the German intelligence agency, since 1942, and that Mr. Ward had died of double pneumonia on 1 August, 1945. Commanding General's Narrative Report, *ibid.*, pp. 57-58.

<sup>77</sup> Colonel Henry G. Simmonite, Secretary and Executive of the United States Military Representation.

<sup>78</sup> Allied Control Commission for Hungary.

in the remaining two sources and would inform us of their answers. This information is being sent to the Minister by letter.

*b. Information on S/Sgt Stacks and Sgt Piccoli.*

We had received information that two airmen had been removed from a hospital in Slovakia by the Russians. The Soviet ACC had been requested for information as to their whereabouts. General Levushkin stated that he had made appropriate inquiries but that no one knew of the case. This information has been transmitted to the Adjutant General.

*c. Colonel Arthur C. Agan.*

AFHQ requested us to obtain information on Col. Agan who is supposed to have landed near Sopron, Hungary. We are informed that they had no information on this officer. A message to this effect has been sent to AFHQ.

*d. Zagyvapálfalva Glass Factory, Inc.*

On 28 April we addressed a letter to Marshal Voroshilov stating that we were informed that the Stock of this partly American-owned glass factory, is being seized under the Reparations Provision of the Armistice. General Levushkin stated that he had this matter investigated and that while a certain amount of glass was being requisitioned and purchased for the use of the ACC, front-line commanders, and the Hungarian Government, they had no intention either dismantling the factory or seizing their stocks. He stated that actually the ACC Soviet was interested in letting this company manufacture more glass as it was a critical item.

*e. Glass Requirements for the Use of the American Military Mission.*

General stated that the glass for the American Military Mission and also the other ACC Missions were being obtained from the Zagyvapálfalva Factory and that he expected that all of the glass requirements would be filled within ten days.

*f. Hungarian Communications System.*

The General went on in some length to explain that the only communications outside of Hungary at the present time were being maintained by the Russians and the Allied Nations who had representatives here. He stated that as Hungary did not have diplomatic representation with other nations they were not being permitted to carry on any such communication and that the Hungarian Government at the present time is concentrating its efforts towards internal communications such as telephone and postal service. He promised to write a letter answering the questions that were propounded to him in our letter dated 3 May. He further stated that Soviet ACC would welcome any suggestions that the American Military Mission wished to make on this subject. A letter giving this information is being sent to Mr. Schoenfeld<sup>79</sup>.

*g. Permission to drive U. S. owned vehicles from Romania to Budapest.*

General Levushkin said that they have no objection to us bringing these vehicles to Hungary; but that in order to furnish us with a safe-conduct pass, it will be necessary

<sup>79</sup> H. F. Arthur Schoenfeld representative of the United States in Hungary from 1945 to 1947.

to have the names of the drivers, the numbers of the cars, and the routes over which they will drive. The necessary papers have been furnished and the permission granted.

*h. Type of Currency in Use in Austria by Russian Occupational Troops.*

The General stated that this appeared to be an academic question as far as we were concerned as any action that might have been indicated would have been overtaken by subsequent events; namely the entry of Americans into Austria. I agreed with him and I believe that it will not even be necessary to answer the message as to the occupational currency at this late date.

*i. Information as to Swiss and Swedish Diplomats.*

He stated that many letters had been written to various agencies to determine the location of these diplomats, which he stated were, he believed, being held by the Russians and as soon as any information was received, we would be informed. Mr. Schoenfeld is being so informed.

*j. Loss of Films by 20th Century Fox Film Corporation.*

General Levushkin jokingly stated that he believed the Russian Troops may have taken these films to show on their projectors. A reply in writing has been received dated 17 May to the effect that after a thorough investigation and inquiries, the films have not been found.

*k. Protection of U. S. Owned Property in Alador Eisler Warehouse.*

This warehouse he said had been left unguarded and that it was being looted up until the time of our letter of 28 April was received, but after we had informed him of our interest, a Soviet guard had been placed in the warehouse and that no further property was being removed except by proof of ownership.

*l. International Red Cross.*

Went into this matter in quite some length. I asked General Levushkin categorically if there was any objection to the International Red Cross, per se and he stated that there was not, and that it was doing a great service. He said he was investigating source of the order for Hans Weyermann to leave Hungary. I informed him that many Americans were vitally interested in the work they were doing especially in the protection of Jewish interests and that if they had no objection to the Red Cross they should either rescind the order or else permit a replacement to come in prior to Weyermann's departure. I explained that we had no interest in Weyermann personally but as he was the sole trustee for the funds, the work could not be carried on until someone else can take his place.

*m. Furniture for Hotel Astoria from Hotel on Margit Island.*

Stated that Colonel Cherkasov had gone to Margit Island to investigate the furniture alleged to be there and found none. Said he would be pleased to have Major Czerniuk go with Colonel Cherkasov at any time convenient to Major Czerniuk to

make a complete investigation of the subject of the furniture and if any were found that we would be welcomed to it.

*n. Allocation of Gasoline for American Mission.*

I requested an additional allotment of 6000 liters of gasoline for the month of May. The General stated that this would be forthcoming and that we could start to draw it immediately.

*o. Vacuum Oil Company.*

He stated that the American-owned Vacuum Oil Company property in the building in question would not be removed and that he was giving orders to the Commandant to permit the Vacuum Oil Company to remain in their present quarters.

*Box 38, Record Group 338, ACC Hungary; NA, Washington, DC.*

**5.**

*Conference of 5 June 1945*

Minutes of the second formal meeting of the ACC

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest  
6 June 1945

Second Meeting<sup>80</sup> of the ACC, 5 June, 1945

*MINUTES*

The Second meeting of the Allied Control Commission for Hungary was held at 20.00 hours on 5 June in the conference room of the Headquarters of the Soviet Section, ACC Hungary, in Bajza utca near Andrassy út, Budapest, Hungary.

The meeting was called to order by the Chairman, Marshal of the Soviet Union, K. E. Voroshilov, who presided.

*PRESENT WERE: United States Representation:* Major General William S. Key, Colonel Dallas S. Townsend, Economic Division, Captain William F. Dietrich, USN<sup>81</sup>, Naval Division, Colonel Frank W. Gillespie, Military Division, Colonel Henry G. Simmonite, Secretary (Major Edward J. Czerniuk-Interpreter).

*The British Representation:* Major General O. F. Edgecombe, CBES<sup>82</sup>, MC., Commissioner, Allied Control Commission, J. H. Simpson<sup>83</sup>, Air Officer, Lt.

<sup>80</sup> This was the second formal meeting of the ACC after the 26 March conference.

<sup>81</sup> United States Navy.

<sup>82</sup> Commander of the Order of the British Empire.

<sup>83</sup> Air Commodore J. H. Simpson, member of the Air Force Section of the British Military Representation.

Colonel H. G. Jennings-Bramly<sup>84</sup>, Liaison, Mr. A Gascoigne, Minister and British Representative.

*Russian Representation:* Marshal K. E. Voroshilov, Lt. General M. M. Stahursky, Rear Admiral P. A. Trainin<sup>85</sup>, Major General I. I. Levushkin, Major General A. M. Belianov, Major General Cherkasov, Commodore S. I. Belikov<sup>86</sup>.

The discussion which followed as noted by the Secretary, is substantially as follows, subject to any discrepancies as to translations from the Russian:

*MARSHAL:* I shall discuss matters pertaining to the Armistice Agreement by paragraphs but will only discuss those paragraphs which have been changed since the last conference.

*MARSHAL:* At the last conference it was reported that two Divisions of the Hungarian Army were in the process of organization. These two Divisions were fully organized and sent to the front of Marshal Tolbukhin<sup>87</sup>. I am informed that one of them took a small part in the action. Another Division (the Fifth Division) has been organized at a strength of 7,900 instead of 10,000.

In accordance with Paragraph one of the Armistice, all military forces in Hungary after hostilities cease, must be placed under the supervision of the ACC. At the present time these divisions are still under the Front Commander and I do not know when they will be transferred.

*GENERAL KEY:* Paragraph One states that at the conclusion of hostilities the army would be placed on a peacetime footing. May I ask what you consider to be a peacetime footing?

*MARSHAL:* I would like to know your thoughts and the thoughts of the British General Edgcumbe on this matter.

*GENERAL EDGCUMBE:* I should think that this must be agreed upon by the Allies. As to the size of the eventual force, this must be given careful consideration. I imagine that an army adequate for maintenance of internal peace in the country, that is to say, the support of their own security and not for aggression should be the formula for this discussion.

*GENERAL KEY:* I agree with General Edgcumbe but I thought that this might have been suggested in some quarters by now.

*MARSHAL:* I believe I agree also but in addition I would like to emphasize that the war strength of these divisions was 10,000. Peace strength Divisions must be smaller and it must first be decided how many troops there will be before it can be decided how many divisions can be authorized. This must be decided by the Allies after the end of hostilities. The Hungarians were supposed to equip and train 8 divisions with auxiliary forces but they have not done so. After this is all discussed

<sup>84</sup> Lieutenant Colonel H. G. Jennings-Bramly, Liaison Officer of the British Military Representation.

<sup>85</sup> Rear Admiral P. A. Trainin, Assistant to the Chairman of the Allied Control Commission for Hungary.

<sup>86</sup> Commodore S. I. Belikov, Chief of River Fleet Department of the Allied Control Commission for Hungary.

<sup>87</sup> Tolbukhin, Fyodor Ivanovich (1894-1949), Marshal of the Soviet Union from 1944, commander of the Third Ukrainian Front between 1944-45, commander of the Southern Forces Group in Bulgaria and Romania between 1945-46.

by the Allies, I believe they will find it will only be necessary for the maintenance of two Hungarian Divisions.

*MARSHAL:* Several Railway Battalions have been organized but most of them are in the process of being turned over to the Hungarian Government for civil use as railway employees and the cities will be transferred to the Hungarian Government for any necessary civilian purpose. All of these railway battalions were reliable and had no connection with Fascists.

I might also state that the Hungarian Government has asked for the permission to organize special troops for border patrols and that permission was granted on the first of June for border patrol units totaling 5,000 men. On the east front, that is, along the Danube, 18 special units known as Border Patrols Companies and 101 Pickets with a total strength of 3573 men have already been assembled. The organization of these border guards has not been completed but will proceed according to plan.

*MARSHAL:* As to Paragraph 2, at the last conference I reported that the Hungarian Government had issued a special decree<sup>88</sup> regarding the legality of those laws relative to the annexation of the territories of Yugoslavia, Czechoslovakia and Romania. It must be stated that in those territories no military occupational troops were discovered and the Hungarian Government has already recalled all of their officials from those countries and these officials are at the present time in Hungary.

*MARSHAL:* I wish to describe the fulfillment of paragraph 4<sup>89</sup>. No internment camps for Allied Citizens were discovered in the state of Hungary.

A special department of the Front is in charge of the Repatriates but they have not discovered any camps of Allied Citizens in Hungary. They have issued special regulations regarding Allied Citizens and all persons that have been discovered have been collected in special camps so that they might be sent to their respective countries. We found 48 British, 2 French, 5 U. S., 217 Yugoslavs, 2 Czechs and 325 others. In addition to these the representatives of the Allied Control Commission in provinces of Hungary discovered in addition 75 Soviet Citizens who had been deported by the Germans. All of those persons who have been recovered, that is 599 and 75, were sent to special collective ports and afterwards sent to the following camps: for example, the U. S., British, French, Hollanders, and Belgians were sent to Camp 19 near Wienerneustadt<sup>90</sup>. The Yugoslavs were sent to Subotica<sup>91</sup>. They were then transported in special trains to their own countries. There was one exception, 72 citizens of Poland who were in Mehreshes were sent to Tovsersu and from thence to the Polish Government.

Besides the above, 140 U. S. Pilots and 9 British Pilots of Parachutists who had force-landed in Hungary, were transported to the representatives of the Allied Control Commission-Hungary (Soviet) and thence to the United States and British Delegations.

*GENERAL KEY:* You skipped Paragraph 3<sup>92</sup>, is that considered to be fulfilled?

<sup>88</sup> Decree no. 526/1945 ME (III, 17.)

<sup>89</sup> Paragraph 4 of the Armistice Agreement ordered Hungary to release all Allied prisoners of war and internees. See Appendix A.

<sup>90</sup> Town in eastern Austria.

<sup>91</sup> Town in northern Serbia.

<sup>92</sup> In accordance with paragraph 3, Hungary was obliged to ensure free movement for the Allied forces on Hungarian territory. See Appendix A.

*MARSHAL:* Soviet Troops moved through Hungary and used Hungarian transportation and never had any trouble. The Hungarian Government did not have sufficient cars and so were not of much help, but I consider that Paragraph 3 has been fulfilled by the Hungarian Government.

*MARSHAL:* As to Paragraph 5, I consider that this has been fulfilled. This Paragraph obliges the Hungarian Government to free imprisoned persons. No persons, however, were discovered in Hungary as contemplated in Paragraph 5. No doubt many persons were transported to "Europe", by the Germans or Szálasists<sup>93</sup>.

*MARSHAL:* I am going to skip paragraphs 6 to 11 and discuss 12 because I have nothing to say about these paragraphs.

*GENERAL KEY:* I would like to have the Marshal indicate whether these Paragraphs have been fulfilled as for instance Paragraph 6.

*GENERAL EDGCUMBE:* I have a question on Paragraph 6. I would like to know if there are any British firms involved in this matter, and I would like to know if so, are they going to be returned.

*MARSHAL:* I agree with you that I probably should discuss paragraphs 6 to 11 and I will go over them paragraph by paragraph briefly.

As to Paragraph 6, this refers to property stolen from countries surrounding Hungary. I am informed that much property has been taken from Yugoslavia and Czechoslovakia, but very little of it was discovered in Hungary. Just today we found a very small piece of property taken from Yugoslavia and I am sure that much industrial equipment was taken from Russia, however, nothing has been discovered up to now. I might say that in Debrecen I found a pair of scales in my villa that were taken from Russia but that is all. This Paragraph was considered very proper when it was placed in the Armistice but it has not meant much.

*GENERAL KEY:* Was there a Decree issued on this property by the Hungarian Government?

*MARSHAL:* Yes, a Decree was issued<sup>94</sup> but to no avail.

*MARSHAL:* As to Paragraph 7, this was all practically of no help as there has not been discovered any German Military property in Hungary. Occasionally Front troops were able to capture some ammunition or supply dumps and they were taken by our Front troops. But the Hungarian Government did not transfer any "war booty" to the Front Command or to the ACC - the Germans and the Szálasists were very careful to take everything when they were retreating.

*GENERAL KEY:* Marshal, was there any "war booty" such as equipment and industries delivered to the Front Commanders under this paragraph?

*MARSHAL:* No!

*MARSHAL:* As to Paragraph 8, it must be stated that during the time the Hungarian and the Russian Armies passed over Hungary, much property was destroyed and when the Hungarian Government was organized it did not even try to take care of its own property. Let me explain myself. In the fulfillment of this Paragraph, it is necessary to consider the unusual conditions which prevailed in Hungary. When the Armistice Agreement was written everyone expected that the new Hungarian Gov-

ernment would be powerful and be able to seize property and to transfer it to the Allies. But the actual conditions were different. The Hungarian Government was weak. Of course travel between Debrecen and Budapest was bad but in no case has the Hungarian Government turned over any property formerly belonging to the Germans. The Hungarian Government wanted to do so, but they were not powerful enough.

*MARSHAL:* The Hungarian Government was obliged under Paragraph 9 to transfer all vessels to the Allied Soviet High Command but the Hungarian Government was unable to fulfill this as the Germans and Szálasists took this property, destroyed the bridges and sunk many boats. It is, therefore, impossible for the Hungarian Government to fulfill the first part of this paragraph.

As to the 2nd part of the Paragraph, this calls upon the Hungarian Government to assume the responsibility for the guarding of vessels in the Danube but the previous explanation shows the Hungarian Government could not do so as they were no vessels here. Up the Danube, they are probably some vessels in the control of the Americans and probably the Russians, but these are not under the Allied Control Commission - Hungary or the Hungarian Government.

*MARSHAL:* Paragraph 10 also obliges the Hungarian Government to return all merchant vessels, but they are unable to fulfill this article for the same reason.

*MARSHAL:* In fulfillment of Paragraph 11<sup>95</sup>, the Hungarian Government was obliged to supply the Soviets with money, and commodities, and they have fulfilled their duties in this regard. This also called for the regulation of industrial and transportation enterprises, means of communication etc. The Hungarian Government was not able to do very much, but as the Red Army was vitally interested in the organization of industry and communication, they took this in their own hands. The Hungarians said they wanted us to do it and we were glad to do so.

*MARSHAL:* According to paragraph 12<sup>96</sup>, the Soviet Union was to receive two hundred million dollars and the Czechs and Yugoslavs one hundred million dollars. A special plan for the provision of commodities has been worked out and handed over to the Hungarian Government. This plan calls for various commodities to be transported to the Soviet Union over a period of six years. Preliminary conversations were finished a few days ago and we will have the final conversation in the next few days. Sometimes the Hungarian Government offered one thing in substitution for another and sometimes substitutions were accepted. I do not know about the one hundred million dollars for the Czechs and Yugoslavs and I have never been informed whether the representatives of the Yugoslavs and Czechs have had any discussions.

*GENERAL KEY:* Did I understand the Marshal to say that the commodities and the prices have been practically agreed upon?

*MARSHAL:* Yes, except for a few small questions to be discussed, everything has been practically decided upon already.

*GENERAL KEY:* Have there been any deliveries yet?

*MARSHAL:* No deliveries have been made.

<sup>95</sup> Article 11 of the Armistice Agreement obliged the Hungarian Government to supply with Hungarian currency and commodities (fuel, foodstuffs etc.) the Allied (Soviet) High Command and the Allied Control Commission.

<sup>96</sup> See footnote 40.

<sup>93</sup> Followers of the extreme right-wing "National Leader" Ferenc Szálas.

<sup>94</sup> The 527/1945 ME decree was issued on 17 March 1945 by the Hungarian Prime Minister.



*GENERAL EDGCUMBE:* I should like to ask if any British or Allied industry have been affected by these reparations? I assume that this is being taken care of.

*MARSHAL:* I do not understand the question.

*GENERAL EDGCUMBE:* We have sent a number of lists of firms with British interests and I would like to know if these firms have been affected and if plans have been made to include to take into consideration these British interests.

*MARSHAL:* In order to be sure, I have asked the Chairman of the Economics Section, Colonel Sova,<sup>98</sup> who states that the interests of the Allies are being taken care of by the plan of reparations. I am sure that all interests have been protected because the plan has been worked out by high officials of the Hungarian Government and by our side. They took into consideration the definite interests of each side.

*GENERAL KEY:* Can you tell me about the Tungsram Plant<sup>97</sup>? Would you like to discuss this now or later?

*MARSHAL:* This is a very difficult question. Do not get ahead of us. I am going to answer that question later.

*MARSHAL:* We have received 15 lists of British Property belonging to British private firms and all of the lists have been handed over to the Hungarian Government who are investigating them but we haven't received any lists from the American Government. About the Tungsram Plant Factory. I have the honor to inform you that this was settled in Moscow and the plant was removed as "war booty" so now the Hungarian Government must restore the American interests. Our information differs from the information of the U. S. representative as to the amount of the American interests but at any rate the Hungarian Government must restore the U. S. interests.

*GENERAL KEY:* Did I understand the Marshal clearly when he said no "war booty" was taken under Paragraph 7.

*MARSHAL:* This factory had been removed as "war booty" by the Military Command before the ACC had a chance to put their fingers on it and this factory was necessary for military purposes so the Military Command decided to take this factory.

*GENERAL KEY:* I appreciate your answer and as the Governments have decided upon it we could not discuss it here, but we did advise you before the factory was removed.

*MARSHAL:* Well I had no power to take the matter in hand as it was decided by the Military Command.

*GENERAL KEY:* May I ask if any other plants were taken as "war booty"?

*MARSHAL:* I do not know the details. Maybe some were removed. I do not know. (He then asked Colonel Sova who said he hadn't any information but at the next conference a definite answer could be made to this question.)

*GENERAL EDGCUMBE:* There are several British firms such as Coates now under Soviet control. Now that hostilities are over I wonder if you can give me any indications as to when Soviet control will be released as the Soviet Control must be relinquished before the Hungarian Government can turn them over to us.

*MARSHAL:* I have no definite data as to these factories, as they are under military command, but when hostilities cease the factories will be transferred to the Hungarian Government. I can not tell when this will be decided until the hostilities cease.

*GENERAL EDGCUMBE:* My Government is interested to know when I can visit these factories and I will be grateful to visit them in the near future as I must report the status of the buildings and as to see whether they have been damaged by fire or by shell fire.

*MARSHAL:* I must find out the nature of these factories, where they are, etc. as they are under military administration. These questions will be decided separately when the details are in.

*GENERAL EDGCUMBE:* Thank you very much.

*GENERAL KEY:* I would like to visit the American oil factories and U. S. owned oil fields. I am familiar with oil business but I have been told that I cannot go there because the oil fields are still under the Front Command. I would like to know if the Marshal will not shortly be in full command over all of Hungary rather than the Front Commander in control of part and the Marshal in the other part. I would prefer to ask the Marshal rather than some Front Commander.

*MARSHAL:* This will take place soon. You can then go to the oil fields.

*MARSHAL:* As to Paragraph 14, the Hungarian Government has not done very much in the way of apprehension and trial of war criminals but it has dissolved pro-fascist organizations, and has issued special decrees regarding their dissolution<sup>99</sup>. It has created many departments to prosecute these organizations and the Government is trying to remove all elements opposing the New Order. The Rank and File Numbers are being given only ordinary control and supervision.

*MARSHAL:* Paragraph 16<sup>100</sup> related to communications etc. Organizations have been set up to conduct this work and there is no reason to complain as all theaters, radio etc. are doing the work that they are directed to do.

*GENERAL KEY:* May I ask if the radio and telegraph communications will be established with other states also?

*MARSHAL:* As to this question, I had the pleasure of discussing it with General Edgcumbe recently and told him at the time of normal relations between Hungary and other states is not far off and as soon as such relations are established communications such as radio etc will be established as well.

*GENERAL KEY:* Does that mean a peace treaty with Hungary soon<sup>101</sup>?

*MARSHAL:* I think so. Normal relations, that is, diplomatic relations will be established soon.

*GENERAL KEY:* Soldiers will then be able to go home?

*MARSHAL:* It is difficult for Diplomats to work without soldiers. Maybe they will leave in a year.

<sup>97</sup> The United Incandescent Lamps and Electrical Company (TUNGSRAM) was dismantled and removed from Hungary as war booty in the spring of 1945 though there was large American interest in it. For Key's letter protesting against the removal of TUNGSRAM see FRUS 1945, vol. IV, p. 813.

<sup>98</sup> Colonel U. I. Sova, Chief of Economic Department of the Allied Control Commission for Hungary.

<sup>99</sup> Decree no. 529/1945 ME on the dissolution of pro-fascist organizations was issued on 26 February 1945 by the Hungarian Prime Minister.

<sup>100</sup> Paragraph 16 of the Armistice Agreement provided that publication, introduction and distribution of periodical or non-periodical literature, the presentation of theatrical performances or films, the operation of wireless stations, postal, telegraph and telephone services would take place in agreement with the Allied (Soviet) High Command. See Appendix A.

<sup>101</sup> The peace treaty with Hungary was signed on 10<sup>th</sup> February 1947 in Paris.

*MARSHAL:* As to Paragraph 17, Civil Administration had been restored in almost the entire area of Hungary. The only remaining districts are across the Danube. In some of these districts Civil Administration could not be restored because the Hungarian Government is short of personnel, and also because it is necessary to suppress many forces and elements located there. It may not be so long before the entire country will be under Civil Administration. So this article can be considered in the process of fulfillment.

*MARSHAL:* As to Article 18<sup>102</sup>, regarding the establishment of the ACC, I have received a letter from General Key which I considered necessary to read and to discuss. (Reads letter of Gen. Key dated 4 June. 1943) I would like to know General Key's opinion as to certain points about that letter:

*GENERAL KEY:* I would rather have your opinion, Marshal.

*MARSHAL:* All I know is that the ACC was established under the Chairmanship of the Soviet with the United Kingdom and the United States having representatives, for the period from the beginning of the Armistice to the end of the hostilities. That when the first period is over, the 2nd period<sup>104</sup> will begin. What does General Key think about that? What are his considerations?

*GENERAL KEY:* (General Key at this time read his letter in English.)

*MARSHAL:* Will you give me your point of view?

*GENERAL KEY:* I believe that the United States and the British Representatives in the 2nd period should have more active participation in the ACC and I have three suggestions: (1) I think American and Britain should be represented on all sections of the Commission. Not necessarily in equal numbers to the Soviets, but that we should have representatives in all sections. (2) Of course the Marshal is recognized as Permanent Chairman, but in order to assure the equal status for the United States and British representatives, they should have equal status on the Commission probably as Vice-Chairman and (3) that the decisions and orders of the Commission during the 2nd period should be approved by representatives in all three governments before they are issued or acted upon.

Now let me say that these are my personal views but I believe that my Government and the Soviet Government and probably the British does too have in mind when signing the Armistice that there would be more of an equal participation in the 2nd period of the ACC I should be happy to have the Marshal comments on these questions. We are talking as soldiers straight to each other, and are proud to work with the Chairman, but I think that hereafter we should be more or less equal members.

*GENERAL EDGCUMBE:* It is my personal opinion that I think it would also be that of my Government is that we agree entirely with what General Key proposes.

*MARSHAL:* I am very sorry that I am not prepared to answer this question now. As I didn't take part in the discussion of the Armistice but probably Mr. Pushkin who took part in the preparation of the Agreement will be kind enough to advise us in

<sup>102</sup> In accordance with Article 18, the Allied Powers established the Allied Control Commission for Hungary to regulate and supervise the execution of the Armistice Terms. See Appendix A.

<sup>103</sup> For the Commanding General's Narrative Report of Operations United States Military Representation on the Allied Control Commission for Hungary, see Department of the Army, The Center of Military History, Washington DC 8-3.3 BA.

<sup>104</sup> It was the period between the end of hostilities against Germany and conclusion of the Peace Treaty.

this matter. Before I ask Mr. Pushkin, I would like to ask General Key if the Vice-Chairman would be a nominal position or otherwise, that if, the Chairman were away, would he have the position of the Chairman.

*GENERAL KEY:* I do not think that this is important as all 3 governments should agree that on all matters mutually. I believe that all 3 governments should agree on everything. That I would like to have representatives on the Commission for instance, I would like Colonel Townsend to be on the Economic Section, Captain Dietrich on the Fleet Section, etc.

*GENERAL EDGCUMBE:* You might have as Russian Vice-Chairman, General Stahursky.

*GENERAL KEY:* I agree to having a Russian Vice-Chairman who could act as Chairman.

*MARSHAL:* There is already a Russian Vice-Chairman and I can not liquidate him (laughter) now we will hear from Mr. Pushkin.

*MR. PUSHKIN:* I took part in the preliminary conference regarding the Agreement. The final Agreement was made between Mr. Molotov<sup>105</sup> and the other representatives in Moscow. Paragraph 18 was taken from the Agreement between Bulgaria and the Allies<sup>106</sup>. In partial explanation, I might say that the statutes were accepted for Hungary but that there were no statutes for Bulgaria, Romania, and Finland governing the ACC. The statutes for Hungary were, therefore, a novel proposition as to the ACC's. Paragraph 18 was discussed in Moscow but [because] the representatives found so many difficulties it was agreed that the statutes would only be decided upon for the first period and that the agreement as to the statutes of the 2nd period would be discussed later.

*GENERAL KEY:* That is why I am bringing it up now.

*MR. PUSHKIN:* I am not going to raise any objection to presenting the matter before this meeting as it is our right to do so. But I am not in a position to state anything on my Government's views at this time. And anyway, your proposals go much farther than those proposed in the previous meetings in Moscow.

*GENERAL KEY:* General Edgcumbe do you have anything to say?

*GENERAL EDGCUMBE:* It is quite obvious that something should be decided in the near future probably in Moscow or Washington, or London. This was discussed between Mr. Molotov and the British and United States Representatives in Moscow and they left certain things open. It was therefore, necessary for someone to discuss the details for the 2nd period.

*MR. PUSHKIN:* If our Government wishes us to discuss the question here we cannot refuse, but we have no power to decide anything here at this time. Probably in the near future it can be discussed between the 3 Governments.

*GENERAL KEY:* I appreciate that all we can do is discuss the matter but the Marshal asked for my views and I gave them to him because nothing had been said as to the 2nd period.

<sup>105</sup> Vyacheslav Mikhailovich Molotov (1890-1986), People's Commissar for Foreign Affairs of the Soviet Union.

<sup>106</sup> For negotiations leading to the signing of the Armistice with Bulgaria, see FRUS 1944, vol. III, p. 300 ff. and also: Michael M. Boll (ed.), *The American Military Mission in the Allied Control Commission for Bulgaria*, New York, 1985.

*MARSHAL:* There is no misunderstanding amongst the 3 Governments. Everyone agrees some changes are necessary in the 2nd Period but what changes were to be, I cannot say. If our Government decides to discuss the matter here we will do so, but if not, we shall have to wait to see what our Government has to say.

*GENERAL KEY:* I think the Marshal should submit the general suggestion to his Government.

*MARSHAL:* I have already done so.

*GENERAL KEY:* I have also.

*GENERAL EDGCUMBE:* One small point. At the last meeting we were told that there were representatives of the Russian ACC in 10 places in Hungary. I presume there are more now.

*MARSHAL:* Yes, the representatives of the provinces have been increased greatly, that there are 20 now and only 4 provinces without representatives.

*GENERAL KEY:* Will the Marshal indicate when there will be another meeting?

*MARSHAL:* That is difficult to say as a lot of time has passed since the last meeting. What is your opinion?

*GENERAL KEY:* I think this is a very good meeting and it does us all good to get together and I should like to suggest a meeting twice a month with the next one 2 weeks from now.

*MARSHAL:* Alright - agreed. 19th or 20th of June. Is that alright?

*GENERAL KEY:* O. K.

*GENERAL EDGCUMBE:* Quite.

The meeting then adjourned.

Henry G. Simmonite  
Colonel, GSC  
Secretary

711.9 Allied Control Commission, Record Group: 84, NA, Washington, DC.

## 6.

*Conference of 17 July 1945*

Minutes of a formal meeting of the ACC where matters concerning the Schwabians, Hungarian war criminals, some Articles of the Armistice Terms, etc., were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

Third Meeting of the ACC, 17 July 1945

MINUTES

18 July 1945

The Third Meeting of the Allied Control Commission for Hungary was held at 20.00 hours on 17 July in the conference room of the Headquarters of the Soviet Section, ACC Hungary, in Bajza utca near Andrásy út, Budapest, Hungary.

The meeting was called to order by the Chairman, Marshal of the Soviet Union, K. E. Voroshilov, who presided.

PRESENT WERE: *United States Representation:* Major General Williams S. Key, Colonel Dallas S. Townsend, Captain William F. Dietrich, USN, Colonel Frank W. Gillespie, Colonel Henry G. Simmonite, Major Lawrence R. Hagy<sup>107</sup>, and Major Edward J. Czerniuk.

*The British Representation:* Major General O. F. Edgecombe, CBE MC, Air Commodore J. H. Simpson, Brigadier G. A. C. MacNab<sup>108</sup>, Lt. Colonel J. B. Pemberton<sup>109</sup>, Major P. C. Capron<sup>110</sup>, Mr. S. V. Chambers, and Mr. J. B. Stewart.

*The Russian Representation:* Marshal K. E. Voroshilov, Major General Cherbakov<sup>111</sup>, Major General L. I. Levushkin, Major General A. M. Belianov, Commodore Belikov, Colonel U. I. Sova, Lt. Col. M. I. Cherkasov, Lt. Potapov<sup>112</sup>, Honorable Mr. Pushkin, Ambassador Designate and Mr. Barulin<sup>113</sup>.

The discussion which followed as noted by the Secretary, is substantially as follows, subject to any discrepancies in translation from the Russian:

*MARSHAL:* The first question to be discussed is the matter of the Schwabians<sup>114</sup>. The Hungarian Government has asked the Allied Control Commission to treat these people as persons accused of war crimes. There are about 500,000 Schwabians in Hungary and many of these people were pro-German. This is a very important question for Hungary as the Schwabians played an important part in the war; and some of them were organized into special troops to assist the Germans. Because of this certain Schwabians are dangerous to Hungary because if something happened in the future they might assist the enemy in another war. The Hungarian Government has asked that 200,000 of them be sent to Germany although not to any special place but merely repatriation to Germany.

(The Marshal then read from a letter as follows:) The Hungarian Government asks the ACC to send them to Germany to such place as designated by the Allies, and that this place be not near the Hungarian border. The Hungarian Government estimated that about 200,000 pro-German Schwabians are now in the country. (End of letter)

This matter is being brought up tonight in order to learn the views of the American and British Representations. It is my opinion that it is necessary to help the Hungarian Government in this matter and that if a decision can be reached tonight it can then be put up to the Soviet Government. Are there any questions?

*GENERAL KEY:* Marshal, we have had a very short time to think about this and I would like to know the method that Hungary intends to employ in moving them out and over how long a period of time as well.

<sup>107</sup> Major Lawrence R. Hagy, member of the Economic Division of the United States Mission.

<sup>108</sup> Brigadier G. A. C. MacNab, Head of the Military Section of British Mission.

<sup>109</sup> Lieutenant Colonel J. B. Pemberton, Secretary of the British Military Mission.

<sup>110</sup> Major P. C. Capron, Liaison Officer of the British Military Mission.

<sup>111</sup> Major General L. A. Cherbakov, Secretary to the Chairman of the Allied Control Commission for Hungary.

<sup>112</sup> Lieutenant U. K. Potapov, Liaison Officer of the Soviet Military Mission.

<sup>113</sup> G. C. Barulin, Secretary to Ambassador Designate Pushkin.

<sup>114</sup> The German ethnic minority in Hungary.

*MARSHAL:* This is a very important matter as it represents 200,000 people. It therefore may take sometime not only to decide but also to fulfill the proposal. So I am asking the matter to be discussed tonight to get your opinion.

*GENERAL KEY:* I agree that it is an important question and therefore I wonder if a decision can be made tonight. I think I would like to go along with the Hungarian Government but I would not like to take action tonight on a matter concerning 200,000 people without consulting my Government.

I also would like to tell my Government that the Hungarian Government has asked for a decision in the matter and also whether the Marshal asks for it as a representative of the Soviet Government. In other words, I would like to give them the full picture, as this matter may take a year or more.

*GENERAL EDGCUMBE:* I agree with the Marshal and General Key that this is a very important matter but I cannot give my personal opinion as I am sure my Government will not want me to do so. My Government will want to go into it from two points of view.

The first thing it would want to determine is whether these people should be deported, as it amounts to deportation and not repatriation.

The second thing I would like to know is to what part of Germany it is proposed to deport these people as the question of caring for them particularly as to food is very important.

I will immediately wire my Government the full particulars tonight saying that the Marshal has agreed and that I presume he speaks for the Soviet Government and as soon as an answer is received we can discuss it in further detail.

*MARSHAL:* I completely agree with your statements that this is not repatriation but deportation of these people. For if Hungary is allowed to deport these people, it certainly must desire to send them far away from their borders.

But I also completely agree with Generals Key and Edgcumbe that it is a really important matter and if the decision of this conference must wait the decisions of the Government, I hope it will not take too much time.

Other small countries have similar problems such as Bulgaria, Czechoslovakia, Yugoslavia, so the deporting of people is not a new problem but this is a most important matter for Hungary at this time as the Government is new, inexperienced, and not very strong.

It is also important especially because the Schwabians lived in regions near the Danube River in large groups. Therefore it is more important for Hungary than it is to Bulgaria and other countries. Therefore, I request that your Governments inform the Allied Control Commission positively and quickly.

*GENERAL KEY:* I would like to ask if I understand correctly that there are about 500,000 Schwabians, but that some are acceptable to Hungary and that they wish to deport only 200,000.

*MARSHAL:* In accordance with the report of the Hungarian Government, 200,000 had close connections with the Germans during the occupation and that they furnished the Germans with spies, supplied them with various things and organized into Bunds and other groups. From our point of view they were our enemies during the war and are at present time. These Schwabians are not pure Hungarians so the Hungarian

Government considers them to be deportable. They were not all pro-German, and it is not my idea or the idea of the Hungarian Government to deport them all.

It is very important for you to know, however, and for your Government to know that the Hungarian Government's request has been approved by all five political parties<sup>115</sup> of Hungary and that it is therefore the wish of all the people or at least all the democratic people of Hungary and this should be taken into consideration.

*GENERAL KEY:* How long will it take to deport them?

*MARSHAL:* I have not had any experience in deporting such a large number of people, therefore it is difficult for me to tell you. The transportation etc., must be considered. I therefore can give you no estimate.

*GENERAL KEY:* When I pass this matter by wire to my Government, I am sure they will want to know the position of the Soviet Government and therefore may I say that the Soviet Government approves?

*MARSHAL:* I am only giving my views as I have not put the matter to my Government. I would like first to discuss the problem with my American and British colleagues. When we agree, I will put it up to the Soviet Government, and if they agree with the decision, we will submit it to all three Governments.

*GENERAL KEY:* The reason I ask is that my Government would like to cooperate with the Soviet Government and if I could say that the Soviet Government desires it, I would like to do so.

*MARSHAL:* I am sure if you asked my personal opinion in such a matter I could give you an answer.

*GENERAL KEY:* I appreciate very much the opportunity to discuss this matter tonight as it is the first question that has been placed before the entire Commission to pass upon, but it is a most important question and I would like to have all the facts before I submit it to my Government. I am sure it will not take them long to reply.

*MARSHAL:* Because it is the first question, and because it is important, it does not seem reasonable to have to pass this matter on to your Governments. I think the Commission should be strong enough to do so now but if it must be referred to your Governments, I would also refer to mine.

*GENERAL EDGCUMBE:* I quite understand the importance of the matter: I will pass it on to my Government immediately.

*MARSHAL:* Probably we have discussed this question enough for tonight and I suggest that you refer it to your Governments, and as soon as answer is received the matter can be discussed in the next following conference and probably we may be able to reach a decision.

*MARSHAL:* If there is no objection I will pass on to the next question on the agenda. The 5th of July I received a letter from the Hungarian Government regarding Hungarian nationals accused of war crimes. Most of these people are now out of Hungary and it is impossible for the Hungarian Government to put them before justice. So in accordance with Article XIV, paragraph a, the Hungarian Government considers that it has suffered materially and morally and the Hungarian people consider it an important enough matter to punish these persons accused of war crimes. But the

<sup>115</sup> These parties were the following: Independent Smallholders' Party, Communist Party, Social Democratic Party, National Peasant Party, Liberal Democratic Party.

fulfillment of this article is difficult because the people went to the west and are at present in territories of the Allies. Part of them are under arrest by the Allies and part are free, so the Hungarian Government asks the ACC to help to transfer these persons accused of war crimes to Hungary in order to permit the more important of them to be tried immediately.

The list, which the Hungarian Government prepared, includes 557 persons including Szálasi and his government and also the most important political figures of the Szálasi regime. Some of the people are in the territory of the United States Army and some of the British Army. It is very important to decide this question now, as the majority of these people are not in prison but are free to move about and even to threaten other Hungarians. When we received the note I decided to assist the Hungarian Government in this request. It is probably not necessary to transfer all, but 40 or 50 or even less, say 20, of the most important, like Szálasi. The Hungarian Government is in better position to judge who are important and the ACC will be able to control the Hungarian Government in the fulfillment of its duties regarding these people accused of war crimes. This matter is probably one like the previous question which must be put to the governments in order that the governments may be informed of the matter, and after that we will discuss it again.

*GENERAL KEY:* I think my Government will do anything possible to turn over to the Hungarian Government all Hungarians accused of war crimes. I will inform them and I am sure my Government will direct me to agree on a reasonable plan to turn them over. Personally I am in favor of it.

*GENERAL EDGCUMBE:* I think I can be quite sure my Government will want to help and I will refer to them the suggestion that the more important people accused of war crimes should be transferred here, I do think my Government would like a list to check up against the people in custody and to arrest those who are free.

*MARSHAL:* A list will be supplied to General Key and General Edgcumbe, but I must say that the list is not too valuable as it consists only of names. The list does not show where the people are now or the crimes they committed. Anyway the list will be furnished as soon as possible.

*GENERAL EDGCUMBE:* These lists may not help much if it only shows their names.

*GENERAL KEY:* I believe the important criminals, like Szálasi, would be turned over by my Government tomorrow or the next day and brought in immediately if I had an outline of a plan to submit to my Government. I would like a suggestion as to details.

*MARSHAL:* I will ask the Hungarian Government to prepare a list and to supply General Edgcumbe and General Key and also ask Mr. Pushkin to supply the names of 10 or 20 of the more important persons. So far as details are concerned, we do not have to worry about them as your Governments (indicating General Key) has just had experience in bringing thousands of Hungarian repatriates here. (laughter)

*GENERAL KEY:* I led with my chin on that one. I know the U. S. Generals would like to turn them over tonight, as they give a lot of trouble.

*MARSHAL:* These war criminals are bad people and we must take precautions and get rid of them forcibly. Maybe we will not hang all of them, we are not that bloodthirsty, but we must punish all.

It is important that all people accused of war crimes be tried but I understand it is first planned to try the Germans and then the people of the small nations later. But some of these people may escape, so it is important to the Hungarian Government that Szálasi be tried before he has a chance to escape. In order to prevent future wars, it will not be necessary to hang all of the people accused.

*GENERAL KEY:* I am in agreement with that, and if you will give me a list of those held by American sources, I think we can turn them over in 48 hours.

*GENERAL EDGCUMBE:* I would like to have it clearly understood that the list sent by the Hungarian Government will be classified according to their crimes. I should also like to know the most important accused people and their crimes.

*MARSHAL:* I would like to know General Edgcumbe if you consider it necessary to classify all people. For instance, whether it is necessary to classify the crimes of such persons as Szálasi and other very important criminals. Szálasi took the power in his hands and continued the war for Hungary for three or four months and thereby destroyed his country, but what is more important the Soviet Army in Hungary sustained many casualties and Szálasi is therefore a criminal from our point of view. Regarding the other criminals not as important as Szálasi and his Government. It may be necessary to classify them as to their crimes. Their punishment may be postponed and therefore I think it is the duty of the Hungarian Government to bring them to punishment and it is not for us to ask the Hungarian Government to classify them as they can fulfill their own duty.

*GENERAL EDGCUMBE:* I only meant to have them classified under general headings. I do not want to delay matters, but I would suggest that Szálasi and his government be placed on one list giving no details.

*MARSHAL:* There is no misunderstanding. With permission I would like to read the list of members of Szálasi's government. (Reads list of Szálasi's Cabinet) The Hungarian Government has supplied the ACC with a list of 13 of the most important war criminals<sup>116</sup>. The next list is a large one, but there is nothing about the crimes. It just lists the names. It is probably a good idea to know approximately the crimes committed, and I will ask the Hungarian Government to tell briefly about each person and the crimes for which they will be charged because only the names of the persons with their rank and their position are mentioned. For example, in the case of a Colonel General, it did not even mention the army which he commanded.

This is a good point and I will ask the Hungarian Government to explain briefly the crimes of the list of 40 persons and to group them. That is, those accused of such crimes as treason, etc., and they can supply the balance of the list of 557 persons later.

*GENERAL EDGCUMBE:* I certainly agree.

*GENERAL KEY:* That will be very helpful.

<sup>116</sup> We do not know exactly which list was mentioned. The Hungarian Ministry for Foreign Affairs sent the list of the 10 most important war criminals to Pushkin, the Soviet Minister in Hungary on 2 August 1945. According to the list, these war criminals were as follows: Ferenc Szálasi, Emil Kovarcz, Ferenc Rajnisch (Rheinisch), Count Gábor Kemény, Gábor Vajna, Lajos Keményi-Schneller, Károly Berengy (Berger), László Endre (Anderhold), László Bakó, Béla Imrédy (Heinrich), Magyar Országos Levéltár, MOL XIX-J-1-k 1945-31448/Pol. See also the list prepared by the Hungarian Foreign Ministry dated 18 September 1945 containing names of 54 war criminals. MOL By April 1946 the Hungarian Ministry of Justice compiled a list of 709 of war criminals. See, Történelmi Hivatal, TH A-612.

*GENERAL EDGCUMBE:* We do not want to delay the matter.

I have one thing to say on this point, I have just received a message from my Government stating there are 28,000 Hungarians in Austria held by the British Army and they are anxious to get rid of them. Some of these may be war criminals and if I had a list, they might be able to discover that probably some of them were wanted. Perhaps we should give permission to the Hungarian Government to visit these camps and select the criminals if it is convenient. Maybe the Big Three are discussing this now.

*GENERAL KEY:* Another matter, the U. S. Army has many Displaced Persons such as Jews and so forth who were taken out during the time Germany occupied the country. These are not war criminals but displaced persons, and my Government would like to send them back<sup>117</sup>.

*GENERAL EDGCUMBE:* I might say, all of the 28,000 are not prisoners of war but many Displaced Persons are amongst them.

*MARSHAL:* The matter regarding displaced persons is important. But first let us discuss war criminals. I will therefore ask the Hungarian Government to supply a list of 40 persons tomorrow or the next day and the balance of the 557 probably can be prepared in a list within ten days. I will ask that as soon as the list is received it should be sent to the governments in order to fulfill the requirement of the Hungarian Government and that every effort should be made to send these criminals to Hungary. If you wish to discuss displaced persons we will take up this matter later.

*GENERAL EDGCUMBE:* I certainly agree. I only went to the matter of Displaced Persons because some war criminals might be among them. As soon as the list is received we will send it to our Government.

*GENERAL KEY:* I asked about Displaced Persons because we have so many. As you know, two trains came in here the other day, and I have requested that no more trains be sent in until an agreement is reached. I would like to reach an agreement on it. We have to take care of so many people.

*MARSHAL:* Probably you do not feed as many people as we do. We have many more than you have. It will probably be a good idea to feed them less. (Laughter) However, we will discuss this question later.

*MARSHAL:* Now we will come to the next question. This concerns Article XII of the Armistice pertaining to Reparations due to the Soviet Union, Yugoslavia and Czechoslovakia. This is payable in goods and other material wealth in the sum of 300,000,000 U. S. Dollars of which \$200,000,000 is to go to the Soviet Union and \$100,000,000 to Czechoslovakia and Yugoslavia.

The negotiations concerning the \$200,000,000 due to the Soviet Union have taken place between our representatives and the Hungarian Government. They began in April and the Agreement was signed on 15 June<sup>118</sup>. This Agreement provided for

<sup>117</sup> More than 230,000 Hungarian displaced persons were sent back to Hungary from the American zone of occupation between September 1945 and the end of 1946.

<sup>118</sup> The Hungarian Prime Minister received a note verbal containing a preliminary list of reparation demands from Voroshilov. The preliminary Russian demands to be fulfilled in 1945 included: 3 ships, 2000 electric motors, 85 Diesel motors, 7 cranes, 25 locomotives, an arms and ammunition factory, 12 complete factories including two rolling mills, the TUNGSRAM Company, a magnesium plant, two cloth mills, a silk stocking factory, a bottle plant, 7,000 tons railroad switches, 5,000 tons steel pipe, 36,000 tons of rails,

\$200,000,000 due to the Soviet Union to be paid in goods, including industrial equipment over a period of six years, but is not payable in money. The Hungarian Government in 1945 has delivered practically nothing but it must deliver the sum of more than 33,000,000 U. S. Dollars this year.

Up to now it has delivered goods valued only 700 U. S. dollars but the Hungarian Government promises it will fulfill its obligations according to the terms of the Agreement. There was no disagreement during the negotiations and they were carried out with mutual accord but I do not know how or in what way deliveries will be made. It is not necessary to enumerate the Articles in the Agreement. General Key and General Edgumbe have asked for copies of the Agreement which I will furnish them as soon as my Government approves.

*GENERAL KEY:* May I ask whether any determination has been made as to the division of Reparations between Yugoslavia and Czechoslovakia?

*MARSHAL:* I have heard privately in Moscow but not officially that the Yugoslavs and Czechoslovaks have agreed to divide it on the basis of 30 million to Czechoslovakia and 70 million to Yugoslavia but this is not an official statement and besides that, the representatives of Czechoslovakia and Yugoslavia have not presented their demands to the Hungarian Government as yet.

*GENERAL KEY:* Will they negotiate directly or through the ACC?

*MARSHAL:* They will negotiate directly with the Hungarian Government under ACC supervision.

*GENERAL EDGCUMBE:* In reference to Article XII it is stated in Article XI that the Hungarian Government will make regular payments of such commodities as are required by the Soviet High Command. I would like to ask what Agreement there is between the Soviet High Command and the ACC? Does the Soviet High Command still make separate demands or is there coordination between the Soviet Command and the ACC?

*MARSHAL:* During the time of hostilities on Hungarian territory, there was no close coordination of the demands made under Article XI, and the Soviet High Command presented their demands directly to the Hungarian Government and the ACC did not interfere with their demands, and now while occupation troops are coming they are also being supplied with goods demanded by the Soviet High Command without reference to the ACC; but as to the future, I cannot say now.

*GENERAL EDGCUMBE:* The end of Article XII says that compensation will be paid by the Hungarian Government for losses and damages caused by the war to other Allied States and their nationals, the amount of compensation to be fixed at a later date. Now this includes my country. In Article XIII it says that the Hungarian Government must restore all property of the other United Nations in complete good order.

There are very considerable British interests in Hungary and I have submitted a large list to show this interest but this has been passed on to the Hungarian Government<sup>119</sup>. We have asked for information as to what the Hungarian Government

97,000 tons of rolled steel products, 88,000 tons of steel sheets and 4,000 tons of bridge parts. These preliminary demands were made without reference to the American or British Missions of the ACC. 740.00119 Control (Hungary) 13-1245, Record Group 59, NA, Washington, DC

<sup>119</sup> For the list of British interests in Hungary containing 66 firms, buildings and other properties, see MOL XIX-A-58 III-1945-149,FB

will do to return the property in good order and the compensation to us under Article XII will depend as to how Article XIII will be carried out. I have sent lists which have been passed on to the Hungarian Government but it would be advisable for us to consult with the Marshal's staff as to the British interests and then confer with officials of the Hungarian Government to see what they are doing to protect these interests. We must find out what they are going to do and I believe the best way is to have direct conferences.

*MARSHAL:* The raising of this question is quite correct but it is necessary to postpone it for the next meeting as was done in the question of "Displaced Persons". However, preliminary discussion between the personnel of your Economic Division and the Economic Division of the ACC can take place and arrangements be made for discussions at the next meeting.

*MARSHAL:* With your permission, I shall pass on to the lesser questions. The next question concerns the next conference, and how to prepare for it. This matter was discussed today between General Levushkin, Colonel Townsend, and Colonel Pemberton and I believe they have cleared up the matter; and if there is nothing further to discuss, I will pass on to the next question.

*GENERAL EDGCUMBE:* I agree.

*GENERAL KEY:* I would like to have the Agenda three days in advance of the next meeting.

*MARSHAL:* That will be done.

*MARSHAL:* The next question will probably not take very long but it is very important. Recently we had a case where two trains were sent here from Austria with Hungarians. In the first train there were 1700 persons of which probably no one knows how many war criminals were amongst them. In my private opinion 50 per cent may have been criminals. When they reached Hungary all of them left the train and no one knows what they are doing, probably they may throw bombs into my villa. On the next train there were 1946 persons who left Austria but only 519 arrived in Budapest. And there is no possible way to check how many of these who escaped from the train were criminals. Probably some of this group would throw bombs into General Key's and General Edgcumbe's villas. This is a very important matter and I would like to have General Key inform his Government officially as such matters must be referred to the Soviet Government. Our Army will check to prevent criminals from coming in but without checking there is danger.

*GENERAL KEY:* I am much embarrassed over this matter especially for it to be presented before my British friends and your Staff.

*MARSHAL:* I did not want to embarrass my dear friend General Key when I brought the matter up in this conference but I considered it quite important and an additional burden to the Hungarian Government, when 3000 such people are sent in without any check. I therefore ask General Key with his strong voice to tell the Generals in the United States occupied areas and possibly his Government not to let the matter happen again. I also want to say to General Edgcumbe that the British Army has some Hungarians in their area such as the 28,000 already mentioned. If they were sent in there would be additional trouble. I apologize to General Key; I did not want to embarrass him but I would like to prevent such incidents in the future.

*GENERAL KEY:* Every effort to prevent a recurrence has been taken, and I have notified my Government already. General Eisenhower has also asked for an immediate investigation and report. However the soldiers on the trains said that the Russians had passed them across the border of Hungary and asked them to go on to the next town. It was unfortunate they were not stopped at the border. I assure you that there will be no repetition and I appreciate the way that you have handled the matter.

*MARSHAL:* Well, since there is nothing further to discuss, I can only say I hope that the future meetings will go as well as this one.

*GENERAL KEY:* It is a coincidence that tonight our Chiefs — the Big Three — Generalissimo Stalin, Prime Minister Churchill and President Truman, are meeting in Potsdam, Germany. If their conference is as pleasant and successful as this one has been, there is great hope for the continued splendid cooperation of the three big Allies and hope for peace in the world for years to come.

*GENERAL EDGCUMBE:* I entirely agree with you and I am very pleased with this conference; the first under the new procedure.

*MARSHAL:* The Big Three are meeting to discuss world-wide problems as we are discussing the problems of Hungary so I also sincerely hope that they are meeting in the same spirit of cooperation and in the same pleasant atmosphere as this conference, for if so, the peace of the world will be assured for all nations, both great and small.

The meeting then adjourned.

Henry G. Simmonite  
Colonel, GSC  
Secretary

711.9 Allied Control Commission, Record Group 84, Budapest Legation File, NA, Washington, DC.

## 7.

*Conference of 3 August 1945*

Minutes of a formal ACC meeting where matters concerning Hungarian war criminals, Article 13 of the Armistice Terms, return of displaced persons, etc., were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

Fourth Meeting of the ACC, 3 August 1945

### MINUTES

The Fourth Meeting of the Allied Control Commission for Hungary was held at 16.00 hours on 3 August in the conference room of the Headquarters of the Soviet Section, ACC for Hungary, in Bajza utca near Andrassy út, Budapest, Hungary.

The meeting was called to order by the Chairman, Marshal of the Soviet Union K. E. Voroshilov, who presided.

PRESENT WERE: *The United States Representation*: Major General William S. Key, Colonel Dallas S. Townsend, Captain William F. Dietrich, USN, Colonel Henry G. Simmonite, Lt. Colonel George S. Kovach<sup>120</sup>, and Major Edward J. Czerniuk.

*The British Representation*: Major General O. P. Edgecumbe, CBE MC, Air Commodore J. H. Simpson, Brigadier G. A. C. MacNab, Lt. Colonel J. B. Pemberton, Lt. Commodore Branson, Major P. C. Capron, Mr. S. V. Chambers, and Mr. J. B. Stewart.

*The Russian Representation*: Marshal K. E. Voroshilov, Major General Cherbakov, General Kondratov<sup>121</sup>, Major General I. I. Levushkin, Major General A. M. Belianov, Commodore Belikov, Colonel U. I. Sova, Colonel Soldatenko<sup>122</sup>, Lt. Colonel M. I. Cherkasov, Honorable Mr. Pushkin, Ambassador Designate and Mr. [B. P. ] Osokin<sup>123</sup>, Deputy to Mr. Pushkin.

The discussion which followed as noted by the Secretary is substantially as follows, subject to any discrepancies in translation from the Russian.

*MARSHAL*: The meeting will follow the previously prepared agenda as follows:

### AGENDA

1. The handing over to the Hungarian Government of Hungarian war criminals (according to lists) who are on territories occupied by the Allies.
2. The transfer of Shvabs [sic!] from Hungary.  
*NOTE*: Answer of the representatives of USA and Great Britain according to the decision of the Conference of 17, VII. 1947<sup>124</sup>.
3. General Key's information and the exposition of his point of view on the following questions:
  - a. The method of choice of the claims of the citizens of the allied nations according to the 13 Article of the Agreement.
  - b. The resumption of postal-telegraph communication between Hungary and other nations.
  - c. The return of displaced Hungarians and Hungarian prisoners-of war who at present are on territories occupied by the American Forces.
4. General Edgcumbe's information and the exposition of his point of view on the following questions:
  - a. According to Article 13 of the [Armistice] Agreement - about the return, in due order, of British property.
  - b. About the repatriation of Hungarian prisoners-of-war and those displaced by force who are at present in the British zone of Austria. The repatriation applies to about 28,000 persons, including 9000 women and children.
5. MISCELLANEOUS:
  - a. Permission to enter into Hungary of journalists of the allied countries.

<sup>120</sup> Lieutenant Colonel George S. Kovach, member of the Information Section of the United States Military Representation.

<sup>121</sup> Major General A. N. Kondratov, Chief of the Military Department of the Soviet Mission.

<sup>122</sup> Colonel H. B. Soldatenko, Assistant Chief of Aviation on the Allied Control Commission for Hungary.

<sup>123</sup> He was the KGB resident in Hungary.

<sup>124</sup> For minutes of this conference, see document 6 herein.

The question was raised by General Key.

b. Did the Hungarian Government apply for help to the ACC about the question of the Hungarians' situation in Slovakia?

The question was raised by General Edgcumbe.

*MARSHAL*: General Key, what have you to report on the return of war criminals to Hungary?

*GENERAL KEY*: There has been an exchange of telegrams on this subject and my Government agrees in principle. I have been authorized to communicate directly with the War Crimes Commission and have sent them a message. I expect to hear something in a few days. Of course some of the persons may be held as material witnesses, but I am sure arrangements for the others can be made between us.

*GENERAL EDGCUMBE*: I have referred the matter to my Government but due to recent political changes in England<sup>125</sup> I have received no answer.

*MARSHAL*: I might mention that I have received two letters from the Hungarian Foreign Minister stating that General Key agreed to bring 10 of these War Criminals back by his plane.

*GENERAL KEY*: That statement is not true. I have had no conversations with the Hungarian Government on this matter and have had no discussion with the Foreign Minister.

*MARSHAL*: It was probably due to misunderstanding and I believe you General Key so no further discussion is necessary.

*MARSHAL*: Now as to the second question, the matter of the transfer of Schwabians from Hungary.

(A discussion of the decisions of the Potsdam Conference<sup>126</sup> followed but as none of the representatives had received instructions from their Governments it was agreed no action could be taken.)

*MARSHAL*: We will now discuss the next question, No. 3-a on the Agenda dealing with the claims of citizens of Allied Nations under Article 13 of the Armistice Agreement.

*GENERAL KEY*: My suggestion is that the Hungarian Government be asked to set up a special agency to receive any claims that the United States or other Allies might file with the Hungarian Government for compensation under Article 13. I do not know how many claims United States Citizens may have against the Hungarian Government, but I do know for instance, of the claim in the Tungfram Plant matter<sup>127</sup>, there will be others later so I suggest that an agency be set up to receive the future claims.

<sup>125</sup> On 27 July General Elections were held in the UK. The Labour Party won and Clement Attlee formed the new Cabinet.

<sup>126</sup> At the Potsdam Conference held between 17 July and August 1945, the representatives of the United States, the United Kingdom and the Soviet Union decided on frontiers and zones of occupation in Germany and Austria, the democratization of defeated countries, the conviction of war criminals, the expulsion of Germans from other east central European countries and laid down the principles of reparations to be paid by the defeated countries. For the decisions of the Potsdam conference, see FRUS, *The Conference of Berlin (The Potsdam Conference), 1945*, vols. I-II.

<sup>127</sup> See footnote 97.



*GENERAL EDGCUMBE:* I should also like to discuss Paragraph 4-a on the Agenda which deals with British property under Article 13. This British property must be returned in good order or else compensation must be received, therefore I agree with General Key that a special committee should be set up so that my representatives might deal direct with the Hungarian Government over the return of the great amount of property owned by British nationals. I submitted a list of claims but have received no answer and I should like to know what the Hungarian Government is doing. I might add that this committee would act in very much the same way as the Hungarian Government group engaged in the direct discussion between the Yugoslavs and Czechoslovaks on their reparations.

*MARSHAL:* Such an organization is not contemplated under the terms of the Armistice and I have no authority from my Government to make such a decision. It might be all right for one or two nations but there are 52 nations concerned. Now you say that the Yugoslav and Czechoslovak Missions have been authorized to deal directly with the Hungarian Government. This is not a good analogy as those two governments are presenting claims under Reparations and that is an entirely different matter.

This year the Hungarian Government must pay fifty million Dollars and that is fixed under Article 12 but Article 13 does not require the Hungarian Government to pay any fixed amount. It is just a declaration that the 52 Allied Nations will receive their property back in good order; so there is a big difference between the claims of Czechoslovakia and Yugoslavia and of course, the Soviets.

*GENERAL EDGCUMBE:* I am not thinking of a large organization only a small group who would consider the return of the property in question. In the Annex to Article 18 of the Armistice Agreement it is stated that the ACC will set up any special organization necessary to carry out the Armistice terms.

*GENERAL KEY:* I think that Article is broad enough for this committee.

*MARSHAL:* The organization under the Annex to Paragraph 18 now in force is part of the ACC but that article did not contemplate the organization of a committee to handle the questions under discussion. The reparations are tremendous, for example, at the present time many plants owned by the Allied Nations have disappeared and to estimate that damage would be impossible. Another new committee would complicate matters as the Reparations are the most important question.

*GENERAL EDGCUMBE:* I am doubtful that the Hungarian Government is making any real effort to deal with this question and I would like my representatives to talk with them directly to work out details.

*MARSHAL:* On the 27th of July I received a note regarding Yugoslav property. I told the Hungarian Government that they should proceed with the settlement of the interests of Yugoslavia as well as with the British interest but as the British interests are not definitely fixed in money, it is impossible to know the exact amount. It was decided in Potsdam that normal diplomatic relations would be established between Hungary and the other Nations. These countries can then contact the Hungarian Government.

(Then followed a discussion regarding permission to talk with the Hungarian Government directly on special matters to which the Marshal stated that letters could be addressed to him setting forth the specific points that General Edgcumbe desired

to discuss. General Edgcumbe replied to the effect that there are many matters that could be discussed in a small conference which could not readily be reduced to writing and the Marshal said he would give permission to discuss special points).

*MARSHAL:* This matter is not important at this time. It is important to facilitate the Armistice Agreement as to Reparations and my task is the fulfillment of these Reparations. If we were going to discuss with the Hungarian Government these small matters of claims for other small nations, the Hungarian Government will not be able to take care of the Reparations. It is my task and your task to see that the Reparations payments are fulfilled.

*GENERAL EDGCUMBE:* Let us pass on.

*MARSHAL:* If you consider how much must be settled under reparations, you can imagine the task of the Hungarian Government. It must pay fifty million dollars in goods which at present time in American dollars amount to fifty thousand million Pengós; you can see what a great task this is and they are diverted to small tasks they cannot fulfill their main job.

*GENERAL EDGCUMBE:* I see your point of view.

*GENERAL KEY:* I wish to state that my Government has not asked for any reparations from the Hungarian Government whether it will or not I do not know, but it is going to insist that the Hungarian Government pay for the property of United States citizens which the Hungarian Government has permitted to be taken away or which has been taken away otherwise and also for claims for property belonging to United States Citizens, and that the United States Government expects the Hungarian Government to pay these claims. I am expecting the ACC to see that claims under Article 13 are paid. Therefore I felt that if a small section was set up now, it would facilitate the handling of these claims when they are presented.

*MARSHAL:* My private opinion is that the British and American property owners should present their claims individually to the Hungarian Government but they cannot come here now and so this will have to wait as our main task is the fulfillment of the payment of Reparations.

*MARSHAL:* We will now discuss Paragraph 3-b concerning communications between Hungary and other nations. At this time it is not possible to establish communications with all nations but I wish to tell you that radio and telegraph communications between Hungary and Great Britain and Hungary and America and Hungary and the Soviet Union have been authorized and furthermore the Hungarian Government knows about it and are preparing for the reestablishment. In the near future they should actually be functioning. They are also working on the Postal Service which has been authorized.

*GENERAL KEY:* Does this include civilians? Will they be permitted to write to their relatives in America?

*MARSHAL:* Yes, it is open to the public but at present the ACC will have to check over all private letters, that is until normal diplomatic relations are established. Correspondence will be controlled but this will have to be worked out.

*GENERAL KEY:* It will be helpful to know the method of censorship as people will ask us this question and we would like to be able to tell them.

*MARSHAL:* It is useless to talk about censorship as the difficulty is not in the censorship but in the establishment of communications. When communications are

established we will have very strong censorship at least until diplomatic relations are established.

(Here followed a discussion in which General Edgcumbe stated that he had not been informed by the Chairman of the Allied Control Commission that communications were established. The Marshal stated that this had been arranged in Moscow and he thought General Edgcumbe knew about it. The Marshal stated that the diplomats in Moscow knew about it, but General Edgcumbe insisted that unless the Hungarian Government had been authorized by the Marshal, nothing could have been done and asked who had informed the Hungarian Government for the ACC. After discussion between the Marshal and the Russian Representatives, the Marshal stated that General Levushkin informed the Hungarian Government while he, the Marshal, was away in Moscow.)

*GENERAL KEY:* I tried to send a telegram to the United States a few days ago but I was told by the Hungarian Government that communications were not authorized. Has the Marshal informed the Hungarian Government that communications had not been authorized between the United States and Hungary?

*MARSHAL:* At this state of the preparations it is useless to check with the Hungarian Government, until actual communications have been established.

*GENERAL KEY:* I understand. But has the Hungarian Government been authorized by the ACC to re-establish radio, telegraphic and postal communications with the United States?

*MARSHAL:* Yes.

*GENERAL KEY:* I want to make certain that the Hungarian Government has been informed that the ACC has approved the re-establishment of communications?

*MARSHAL:* Yes, they were informed when word was received from Moscow. I have also heard that communications will be established shortly between the neighboring countries, Czechoslovakia, Yugoslavia, and Romania, but I have no details as yet.

*MARSHAL:* Now let us discuss the question of displaced persons.

*GENERAL KEY:* After the last meeting, the U. S. Army in Germany and Austria placed an embargo on the further shipments of any Hungarian nationals into Hungary until approved by the ACC. I would like for the Marshal to give a suggestion as to the time and manner in which shipments of Hungarian displaced persons can be resumed as it is necessary for our people to get as many out as possible during the summer months. General Eisenhower has wired me to the effect that an agreement had been reached with the Soviet Repatriation Unit in Liezen for the shipment of 1500 a day and that is why the three trains came in here. I would also like to have the suggestion of the Marshal as to the inspection of these people before they are shipped.

*MARSHAL:* I would like to know if you are speaking of all Hungarians or merely civilian repatriates. If they are prisoners of war I suppose 99 per cent of them are war criminals.

*GENERAL KEY:* I can not answer in detail but our people would be able to decide who were displaced persons or who were prisoners of war and they can be shipped separately or in any manner in which you like. Our people probably do not have a full list of war criminals but they could be handled separately from the displaced

persons and prisoners of war. General Eisenhower recommends that a repatriation unit be placed on the Hungarian-Austrian border and our Army people will cooperate, but it is for us to agree here how they can be shipped.

*MARSHAL:* How many displaced persons are there?

*GENERAL KEY:* I do not know but I would estimate more than 25,000.

*MARSHAL:* I think there are more than that.

*GENERAL KEY:* I think many are refugees but there is a Russian repatriation unit there which can separate them.

*GENERAL EDGCUMBE:* The problem with me is that there are approximately 28,000 displaced persons and prisoners of war in the British area, including about 9,000 women and children, and it appears that apart from the list of war criminals the only possible way of really finding out who are criminals from the point of view of the Hungarian Government is for the Hungarian Government representatives to assist and take the greatest part in examining these people when they come back to Hungary. It means that camps must be set up and it will be a complicated matter but I propose that we get them back as soon as possible and that officers be nominated to sit around the conference table and work out the details.

*GENERAL KEY:* I think action should be taken now and that we should have a decision at this meeting.

*MARSHAL:* It would be good to make a specific decision now but it is practically impossible as we do not have sufficient information as to how many people are Displaced Persons and how many are Prisoners of War. The question of transport, food, etc. must be decided and the Hungarian Government must assist. It would probably be wise for General Key and General Edgcumbe to discuss the matter with me before the next conference. In the meantime, it would be wise to find out how many people there are by groups; first, persons forced by Germany to leave the country; second, persons who left with the Germans voluntarily; third, prisoners of war. I am informed that there are some 400,000 prisoners of war taken by the U. S. and British Armies.

*GENERAL KEY:* Let me suggest that I wire my people to have a representative of General Clark<sup>128</sup> and a representative of General Eisenhower assemble at Liezen to meet with representatives from the Soviet, British, and U. S. ACC Representations here and probably some Hungarian representatives in order to talk this matter over with the Russian Repatriation Unit situated there. By having such a meeting<sup>129</sup> the representatives could bring back first hand information for any further discussion.

*MARSHAL:* That seems to be advisable and I agree.

*GENERAL KEY:* I shall send a message immediately requesting such a conference.

*GENERAL EDGCUMBE:* I will also send a wire requesting permission to send representatives from here.

*MARSHAL:* As to the question of journalists.

*GENERAL KEY:* If a limited number of newspaper correspondents particularly Russian, English, and American were permitted to come to Hungary, I believe it would be a very fine thing. The Marshal could make a statement welcoming them here and

<sup>128</sup> General Mark W. Clark, Commanding General, U.S. Forces in Austria.

<sup>129</sup> The conference was held in August 1945. For minutes, see Appendix G.

their entry would receive favorable publicity everywhere. This is being done in Vienna, and in Germany.

*MARSHAL:* The matter of correspondents entering Hungary was not authorized in the Armistice Agreement. The entrance of correspondents of satellite countries was discussed in Potsdam, but I do not know the details. It will be ironed out in the future when further details are available. It cannot be decided at this time.

*GENERAL EDGCUMBE:* I would like to raise the question as to permission for trade representatives to enter Hungary in the interest of carrying out negotiations, not wholesale trade, but business in small articles. They would come over for a short period and would be controlled by my representatives.

*MARSHAL:* At the present time it is not possible to permit representatives of industry to enter Hungary. This matter must be raised through diplomatic channels and a decision reached in London and Moscow.

*MARSHAL:* Now as to the question of treatment of Hungarians in Slovakia<sup>130</sup>.

*GENERAL EDGCUMBE:* I put this on the Agenda because of the continued references in the press to the bad treatment of Hungarians in Slovakia. I would like to know if you could tell us anything about it.

*MARSHAL:* All I know is what I read in the newspapers. The Hungarian Government has never put this matter up to me and I never discussed it with them. The Hungarian Government did discuss the matter of some 2000 Hungarian teachers, but we didn't go into any other matter.

The meeting then adjourned.

*Henry G. Simmonite*

Colonel, GSC  
Secretary

711.9 Allied Control Commission. Record Group 84. Budapest Legation File: NA, Washington, DC.

<sup>130</sup> After the withdrawal of Hungarian troops, the Czechoslovak authorities began to expel Hungarians from the country, plundered their houses, dissolved their cultural or sport associations and labor unions, closed Hungarian secondary schools etc. Up to July 1945 the Hungarian government protested 32 times against the maltreatment of the Hungarian minority to Marshal Voroshilov but to no avail. For text of an Aide Mémoire dealing with this question, see László Szűcs, ed., *Dálnoki Miklós Béla kormányának (Ideiglenes Nemzeti Kormány) minisztertanácsai jegyzőkönyvei. (Minutes of Cabinet Meetings of the Provisional National Government of Dálnoki Miklós Béla)*, Budapest, 1997, vol. B, pp. 700-704.

## 8.

*Conference of 22 August 1945*

Minutes of a formal meeting of the ACC where matters concerning repatriation, correspondents from Allied countries, etc., were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

Fifth Meeting of the ACC, 22 August 1945

### MINUTES

The fifth meeting of the Allied Control Commission for Hungary was held at 20.00 hours on 22 August in the conference room of the Headquarters of the Soviet Section, ACC for Hungary, in Bajza utca near Andrássy út, Budapest, Hungary.

The meeting was called to order by the Chairman, Marshal of the Soviet Union, K. E. Voroshilov, who presided.

*PRESENT WERE:* *The United States Representation:* Major General William S. Key, Colonel Dallas S. Townsend, Captain William F. Dietrich, USN, Colonel Henry G. Simmonite, Lt. Colonel Lawrence R. Hagy, and Major Edward J. Czerniuk.

*The British Representation:* Major General O. F. Edgecumbe, CBE MC, Air Commodore J. H. Simpson, Brigadier G. A. C. MacNab, Lt. Colonel J. B. Pemberton, Lt. Colonel H. G. Jennings-Bramley, Capt. D. Bloodworth, Mr. S. V. Chambers, and Mr. J. B. Stewart.

*The Russian Representation:* Marshal K. E. Voroshilov, Lt. Gen. Sviridov, Major General Cherbakov, General Kondratov, Major General I. I. Levushkin, Major General A. M. Belianov, Rear Admiral Trainin, Commodore Belikov, Colonel U. I. Sova, Colonel Ostrovsky<sup>131</sup>, Lt. Colonel M. I. Cherkasov.

The discussion that followed as noted by the Secretary is substantially as follows, subject to any discrepancies in translation from the Russian.

*MARSHAL:* The meeting will follow the previously prepared agendas follows:

### AGENDA

5th Meeting – 20 August at 20.00

1. Information about the results of the journey to Austria concerning the problem of repatriation of Hungarian prisoners-of-war and Hungarian citizens in the territory controlled by Anglo-American Forces.

Those reporting: Brigadier MacNab (English Representation)

Colonel Smirnov (ACC)

Colonel Simmonite (American Representation)

<sup>131</sup> Colonel I. I. Ostrovsky, Chief of the Aviation Department of the Allied Control Commission for Hungary.

2. Concerning the return to Hungary of members of the Hungarian National Assembly: Bartók, Béla<sup>132</sup>; Bölöni, György<sup>133</sup>; Károlyi, Mihály<sup>134</sup>; Vámbéry, Rusztem<sup>135</sup>. (Note: from the Hungarian Government)

3. Concerning the entrance to Hungary of Correspondents of Allied Countries.

4. Concerning the problem not finally settled during the last conference of the ACC, the return of war criminals to the Hungarian Government, according to the lists submitted to the American and English Representations.

5. Discussion of Marshal Voroshilov's letter of 14th August 1945 concerning the new Procedure of ACC.

(The question is raised by Major General William S. Key)

6. Elections in Hungary.

(The question is raised by Major General William S. Key)

7. Postal (Telegraph communications (Additional question raised by General Edgumbe)

*MARSHAL*: First question concerns repatriation of Hungarians. I would like to open this for discussion.

*GENERAL KEY*: The report of the committee has been very adequately covered in the minutes of the meeting of which we all have copies. (Minutes of the Salzburg Conference are attached hereto as "Annex A"<sup>136</sup>.) The plan provides for the shipment of 20 thousand Hungarian nationals per week beginning on or about the first of September. I recommend that the report of this committee be approved and that the Hungarian Government be directed to be prepared to receive the 20 thousand per week beginning on that date.

*GENERAL EDGUMBE*: I wish to say that it is essential that the camps be ready and that a Hungarian Delegation be at the reception points to check with the allied representatives when these repatriates are brought in.

*MARSHAL*: I believe it is necessary to discuss this matter tonight. In the first place the committee which went to Salzburg did not confer with the Soviet High Command as to obtain permission for the passage of trains through Austria, and in the second place there are about 5 million Soviets in that area which must be transferred or repatriated to Russia first. While it is fairly clear that the repatriation of Hungarians from the American zone could begin at once, yet in the British zone the question of transportation to the Hungarian border has to be settled. The Hungarian Government does not have the transportation so arrangements must be made to bring these repatriates to these camps.

*GENERAL KEY*: This is the first intimation that I have had that it would be necessary for us to request the Russian authorities in that area for permission to pass through their zone. As a matter of fact, we do not think that the Russian Command

<sup>132</sup> Bartók, Béla (1881-1945). Composer, pianist, musicologist had emigrated to the USA in 1940, died in New York.

<sup>133</sup> Bölöni, György (188-1959). Writer, publicist.

<sup>134</sup> Károlyi, Mihály (1875-1955). Prime Minister in 1918, President of the Hungarian Republic from January 1919 until March 1919, Ambassador in Paris from 1947 until 1949.

<sup>135</sup> Vámbéry, Rusztem (1872-1948). Jurist, publicist, Hungarian Minister in Washington between 1941 and 1948.

<sup>136</sup> See Appendix G.

would have appreciated our discussing the matter with them. There are 89 thousand persons in the United States Zone and the United States Army has trains which will be furnished, provided the trains are returned, and they could start tomorrow or whenever the Hungarian camps are ready. I therefore suggest that we authorize the movement from the United States Zone and ship all people from there, in the meantime, the British authorities may determine the question of entry into Hungary of their trains. If we wait for cold weather it will be very difficult to move these people. I urge the approval of the report of the committee and that movement from the United States zone start on September 1st. We can clear up the other questions as we go.

*MARSHAL*: That is probably a good solution from the United States point of view, because you are interested in moving out Hungarians as quickly as possible. We, however, are interested in moving the Soviet citizens and this must be worked out. The Committee that went to Austria made all arrangements for the transfer of Hungarians but they did not go into the question of the movement of the Soviets. Therefore it may be necessary for us to postpone the discussion of this matter until these other questions can be decided.

*GENERAL KEY*: I do not want to delay this matter and I would like to decide it now or the next day or two at the latest. It should not be delayed for any length of time.

*GENERAL EDGUMBE*: Are these 5,000,000 Soviets you referred to in Austria? If so, I cannot see how it effects our plans as we are to use British and American trains to move these Hungarians.

*MARSHAL*: The 5,000,000 Soviets are in Germany and Austria and without the necessary agreement of the Soviet High Command in Austria, we cannot move these persons through the Russian zone and it will be necessary to postpone this discussion.

*GENERAL EDGUMBE*: I suggest that the Hungarian Government be told to start the camps immediately so that they can be prepared to receive them when the decision is made.

*MARSHAL*: The Hungarian Government has already started preparations to receive prisoners-of-war and Lt. General Sviridov (Deputy Chairman) says that the Hungarian Government is preparing three camps, each with a capacity of 20 thousand and that food, supplies, and clothing are being assembled.

*GENERAL KEY*: Are there any other objections to the starting of this program except to have the Soviet Command give permission for trains to pass through their zone?

*MARSHAL*: The committee that went to Austria did not discuss the question of Soviet citizens or the passage of trains with the Soviet High Command therefore it will be necessary to postpone the matter about 5 days to find out from the Soviet Command. At that time I will inform General Key and General Edgumbe of the decision.

*GENERAL KEY*: Of course, I dislike the postponement of this matter, but if that is your answer, I will inform my people they must wait 5 days for a decision.

*MARSHAL*: The next question concerns return to Hungary of the following members of the Hungarian National Assembly: Béla Bartók, György Bölöni, Mihály Károlyi and Rusztem Vámbéry. Bartók is a well-known composer, Bölöni was the Chairman of the Hungarian Committee of Liberation in Paris, Károlyi was the Vice-

President<sup>137</sup> of the Hungarian Republic and Vambéry is a scientist. All of these people were elected to Parliament and they are well known in this country. I would like to ask General Edgecumbe if he has any suggestions as to how the three of these people who are in London may be permitted to enter. I have no objections as they are all anti-fascists and I would like to know what we have to do to get them back. The decision will have to be made immediately as the Provisional National Assembly meets on 5 September.

*GENERAL EDGCUMBE:* I will send a cable to my Government as soon as I can, stating that the Marshal wants them returned here. I cannot say what the answer will be, although it probably will be yes.

*MARSHAL:* Are you positive it will be yes?

*GENERAL EDGCUMBE:* No, of course not. I cannot say what my Government will do as there may be many difficulties, including transportation.

*GENERAL KEY:* I will do the same. This is a political matter and my Government must decide. I would like to ask the Marshal if there are any other members of the Provisional National Assembly who are absent from Hungary and will not be able to attend the meeting of 5 September.

*MARSHAL:* I do not know.

*GENERAL EDGCUMBE:* I presume that Bölöni, who is in Paris, will be taken by through your Paris representatives.

*MARSHAL:* Yes, I will find out about him. However, I am very much surprised that you are not able to give a decision here in such a clear matter, General Key. You are so anxious to return several thousand Hungarian prisoners-of-war and yet you question the return of three or four prominent democratic leaders.

*GENERAL KEY:* I have heard reports and rumors that there are twelve members of the National Assembly who have been arrested and cannot be located now and my Government is interested in them also<sup>138</sup>; therefore I cannot make any decision in this matter without consulting my Government. It has already told me what to do in case of Hungarian repatriates.

*MARSHAL:* By whom were these twelve arrested?

*GENERAL KEY:* I made this statement on reports that I have heard and that is why I asked the Marshal if he had any information about the matter.

*MARSHAL:* I will not discuss rumors here. Whoever has information on this matter will have to check it, and I deny knowledge of any of these rumors<sup>139</sup>.

*GENERAL KEY:* You will probably receive an answer from my Government in about five days.

*GENERAL EDGCUMBE:* Vambéry may be in America.

<sup>137</sup> Inaccurate information. Károlyi was the President of the Hungarian Republic. See footnote 134.

<sup>138</sup> Among others: János Cseh, István Dobó, Lajos Daneza, Imre Fekete, Sándor Lengyel, István Kurucz, Rezső Szűcs and Pál Poprádi were arrested by the Hungarian political police in the spring and summer of 1945. See Szűcs, *ibid.*, vol. B, pp. 188-189.

<sup>139</sup> Neither Hungarian Minister of the Interior nor the President of the Provisional National Assembly had information on arrested deputies at that time, according to the minutes of cabinet meeting of 4 September 1945. They had allegedly been handed over to the Russian authorities. The President of the Provisional National Assembly Béla Zsedényi stated that he had asked Marshal Voroshilov for information on this matter but Marshal had answered that these men were in Hungarian custody. Szűcs, *ibid.*, vol. B, p. 188.

*THE MARSHAL:* It is not important where these people are. I only wanted to discuss the principle. I will send a letter to General Key and General Edgecumbe in the matter.

*GENERAL KEY:* It would be helpful if the Hungarian Government would send us copies of all letters that they address to the Allied Control Commission or to the Chairman. I would appreciate it very much if the Chairman would tell the Hungarian Government to send copies to each of us or the Chairman himself send us copies of all communications from the Hungarian Government.

*GENERAL EDGCUMBE:* I agree and would like copies also.

*MARSHAL:* I will send a copy of this letter concerning these four men. It was only received a day or two ago.

*GENERAL KEY:* I would also like to have a copy of the letter from the Hungarian Government concerning the deportation of the Schwabians<sup>140</sup>. I do not have a copy in my file.

(The Marshal first stated that he did not have a copy of this letter, and then after his Chief of Staff spoke to him he stated):

*MARSHAL:* I will send a copy.

*MARSHAL:* The next question concerns correspondents.

*GENERAL EDGCUMBE:* I am informed by my Government that at Potsdam it was agreed that press correspondents should be allowed to enter Hungary and my Government would like to know what is necessary for their clearance.

*MARSHAL:* There is no objection for them to enter Hungary, but in all cases it will be necessary to have information as to names of the correspondents, the number, where they wish to visit, how long they wish to stay, the agency that they represent, and other such information.

*GENERAL EDGCUMBE:* I will inform my Government at once and get the particulars.

*GENERAL KEY:* I will do the same.

*MARSHAL:* We will now discuss paragraph 4 concerning the list of war criminals. Do you have any information?

*GENERAL KEY:* We do not have the exact information on all of these persons as they are not all in United States territory, but all who are under United States military authorities will be turned over to the Hungarian Government. As soon as the Hungarian Government representatives are sent for them, they will be turned over.

*MARSHAL:* Where will this be?

*GENERAL KEY:* Salzburg.

*MARSHAL:* I have not received anything official on this. Probably you can give me more details.

*GENERAL KEY:* I will have to give the Marshal further information later as to all of the people, but Szálasi can be turned over at this time.

<sup>140</sup> In this letter the Hungarian Government estimated that the number of Germans to be deported would be between 300,000 and 400,000. The Government also stated that Marshal Voroshilov had sent a verbal message on 9 August 1945 urging the deportation of 400,000-450,000 Germans. Szűcs, *ibid.*, vol. B, pp. 69-71.

*MARSHAL:* In the letter please give your ideas and the details as to how they may be turned over. We would like to have 5 or 7 of the more important ones at this time, with a definite place and conditions of transfer.

*GENERAL KEY:* I will be glad to do so, and I will state how arrangements can be made to turn them over to the Hungarian Government. I only received the information recently, and as General Clark, who commands the Austrian zone, has not been able to get established in Vienna, the information on this matter has been slow in reaching us.

*GENERAL EDGCUMBE:* In my case my Government is still investigating the matter, and I shall inform them that the United States Government is ready to hand over their group. I have no definite instructions from my Government.

*MARSHAL:* I will now bring up the fifth question. This concerns the new procedure of the ACC<sup>141</sup>.

*GENERAL KEY:* I would like to discuss your proposal for the new Statutes as the basis for operation of the ACC in the Second Period, which you forwarded in your letter of 14 August. I sent these proposals to my Government and I have received from them a copy of the Agreement at Potsdam, which states that the three governments agreed that the revision of procedures of the ACC would now be undertaken. My Government has sent me a proposal to submit to the ACC for the United States' Proposal for the Statutes for the Second Period. I only received these Proposals from my Government yesterday and I immediately sent copies to you and General Edgcumbe, but I have not had time to discuss it personally. My Government directs that I submit this as the United States Proposal for the Procedure for the ACC for Hungary from the end of hostilities to the signing of the Peace. I would therefore discuss the differences.

*MARSHAL:* There must be some misunderstanding. I am not going to discuss this matter at this meeting as it is not the place for such discussion. The Statutes, which I sent on The 14th August, were the New Statutes and not Proposals and they were exactly the same as the procedure I set forth on the 11th of July. In Potsdam the question for the new statutes for the ACC were raised and it was proposed that Romania, Bulgaria and Finland take the Hungarian Statutes as the basis for their procedure. That is why I sent the second letter with the Statutes to you both. I am not going to discuss the matter here as it is up to your Government to discuss the matter of any reconsideration in Moscow. These statutes were agreed to by the governments and any reconsideration must be made by the governments.

*GENERAL KEY:* I am sure there is a misunderstanding. I have a telegram before me from the Secretary of State, Mr. Byrnes, stating that the three governments agreed that the revision of the procedures of the ACC in those countries, would now be undertaken; accepting as a basis (for revision) the Soviet Government's proposal for

<sup>141</sup> At the Potsdam Conference, 17 July-2 August 1945, Harry S. Truman, Winston S. Churchill and Stalin undertook to revise the procedures of the Allied Control Commission for Romania, Bulgaria and Hungary. FRUS, *The Conference of Berlin, 1945*, vol. II, pp. 1458-1459. Taking this decision as a basis, General Key proposed new Statutes for the ACC for Hungary. (See Appendix E.) Marshal K. E. Voroshilov sent the new Statutes of the Commission for Hungary on 14 August 1945 without any preliminary discussions with the American and British members. For the new statutes, see Appendix F.

the Statutes for Hungary<sup>142</sup>. Therefore my Government does not accept your proposal of the 14th of August (which was attached to the Telegram) as the regulations or statutes of the ACC but merely as a basis for revising them.

*MARSHAL:* I am not going to discuss the matter at this conference. My Government says these will be the Statutes for the Second Period and any discussion must be made by Government level.

*GENERAL KEY:* I will report this to my Government, but I want to say that my Government does not accept your proposals of the 14th of August as the regulations or statutes for the Allied Control Commission for Hungary and I want this to be in the record.

*MARSHAL:* It is up to the Governments and I do not have the power to tell your Government what to do.

*GENERAL EDGCUMBE:* I want to tell the Marshal that I have informed my Government but they have not stated that they would accept the proposals. I informed them that it would be discussed later so I do not want you to think that my Government has no objection.

*MARSHAL:* We will now discuss Paragraph 6.

*GENERAL KEY:* This may be a rumor but as it has been reported to me from so many sources, I think I should give it to you for our information and for such action as you deem necessary to approve or disapprove it. It has been reported to me that the Hungarian Government has been directed to hold elections in the near future and these reports are to the effect that the Chairman of the ACC gave those directions<sup>143</sup>. This is a very important matter and if those instructions were given in the name of the ACC, my Government, and I, as its representative, would like to know all about it. If such instructions were not given, then I would ask the Marshal's pardon for bringing it up, but these reports are so persistent that I am compelled to present them.

*MARSHAL:* (Note: Lt. Colonel Cherkasov, the interpreter, commenced to translate but after a few words, the Marshal very excitedly interrupted and said: I am not here to liquidate rumors and this is not the place to discuss rumors that have been heard on the streets and I categorically refuse to let the question be translated. I have no information regarding the elections and no one has asked me about this matter.)

*GENERAL KEY:* I cannot insist on you informing us whether this is a rumor or an order, but the matter is so important to my Government that it desires to know all about it, and I would greatly appreciate my opening statement being translated.

*MARSHAL:* I did not hear anything about elections and I will not discuss rumors; I have heard nothing concerning this matter.

I would appreciate it if you would not place this conference in an embarrassing position, such as the rumor of the arrest of the 12 assemblymen and the elections in Hungary. If I receive any information from the Hungarian Government I shall notify you.

*GENERAL KEY:* If the Marshal says he knows nothing about it, I believe him and I thank him very much.

<sup>142</sup> FRUS, *ibid.*, p. 1458.

<sup>143</sup> The Hungarian Prime Minister Béla Miklos informed General Key on the Soviet demand for early general elections in Hungary. The presence of large Russian forces in Hungary, according to the Prime Minister would make it impossible to conduct a free election. For more details, see FRUS 1945, vol. IV, pp. 851-859.

*MARSHAL*: When I received the letter regarding the 4 members of the Provisional National Assembly from the Hungarian Government asking that their entry might be permitted I immediately sent a letter to them asking about them and I will send you a copy of the answer when it is received. This proves that I did not know anything about the elections as a question such as the elections is a very important political matter. It is also impossible to have such elections unless it is known by everyone. I will ask your advice on the question of elections for without the permission of the ACC, the Hungarian Government cannot have elections.

*GENERAL KEY*: Thank you.

*MARSHAL*: Now as to the next question regarding the postal, telegraph communications.

*GENERAL EDGCUMBE*: At the ACC meeting of 3 August<sup>144</sup> it was stated by the Chairman that telegraphic and postal communications were on the point of opening and the Marshal stated that he would find out the conditions regarding their re-establishment.

*MARSHAL*: There was probably a misunderstanding as the postal communications were not permitted, only radio.

*GENERAL EDGCUMBE*: I understand now and I would like to have my staff confer with the Hungarian officials regarding arrangements for radio communications with England.

*GENERAL KEY*: I understand then that you will check with the Hungarian Government regarding the radio telegraphic facilities, in order to know when we may be able to send messages by radio.

*MARSHAL*: That is correct.

*GENERAL KEY*: What will be the date of the next meeting?

*MARSHAL*: We will set the date for the 30th of August. I request that the Agenda be given two days before the meeting.

*GENERAL EDGCUMBE*: Will there be another meeting of the heads of the General Divisions in the provinces?

*MARSHAL*: This will be held in the near future.

Meeting then adjourned.

*Henry G. Simmonite*

Colonel, GSC  
Secretary

711.9 Allied Control Commission, Record Group 84, Budapest Legation File, NA, Washington, DC.

<sup>144</sup> See Document 7.

## 9.

*Conference of 6 September 1945*

Minutes of a formal meeting of the ACC where matters concerning the repatriation of Hungarian POW's, navigation of the Danube, etc., were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest.

Sixth Meeting of the ACC, 6 September 1945  
*MINUTES*

The Sixth Meeting of the Allied Control Commission for Hungary was held 16.00 hours on 6 September 1945 in the conference room of the Headquarters of the Soviet Union, ACC for Hungary, in Bajza utca near Andrássy út, Budapest, Hungary.

The meeting was called to order by the Chairman, Marshal of the Soviet Union, K. E. Voroshilov, who presided.

*PRESENT WERE*: *The United States Representation*: Major General William S. Key, Colonel Dallas S. Townsend, Captain William F. Dietrich, USN, Colonel Henry G. Simmonite, Lt. Colonel Lawrence R. Hagy, and Major Edward J. Czerniuk.

*The British Representation*: Major General O. F. Edgcumbe, CBE MC, Brigadier E. E. Mockler-Ferryman<sup>145</sup>, Lt. Colonel P. C. Capron, Cmdr E. H. C. Branson, Major A. Inglehart<sup>146</sup>, Mr. S. V. Chambers, and Mr. J. B. Stewart.

*The Russian Representation*: Marshal K. E. Voroshilov, Lt. Gen. Sviridov, Major General Cherbakov, General Kondratov, Major General I. I. Levushkin, Major General A. M. Belianov, Rear Admiral Trainin, Commodore Belikov, Colonel U. I. Sova, Colonel Ostrovsky, Lt. Colonel M. I. Cherkasov.

The discussion, which followed as noted by the Secretary, is substantially as follows, subject to any discrepancies in translation from the Russian.

*MARSHAL*: The Meeting will follow the previously prepared Agenda as follows:

### AGENDA

Sixth Meeting - 6 September 1945

1. Repatriation of Hungarian prisoners-of-war and Hungarian citizens from the American zone of occupation in Germany and Austria.
2. Return of Hungarian war criminals for trial.  
(Submitted by American Representative)
3. a, Permission for entry into Hungary of American citizens having business interests in Hungary.  
(Submitted by American Representative)
- b, Permission for entry of members of Parliament.

<sup>145</sup> Brigadier E. E. Mockler-Ferryman, Head of the Military Section of British Military Mission.

<sup>146</sup> Major A. E. Englehardt, Russian Liaison Officer of the British Military Mission.

(Submitted by British Representative)

c. Request for exit permits for British subjects now residing in Hungary.  
(Submitted by British Representative) (Concurred by American Representative).  
4. The River Danube.

a. Navigation of the river Danube as far as Vienna.

b. Opening of navigation for international communication.

(Submitted by British Representative and concurred by U. S. Representative.)

*MARSHAL*: Are there any additional questions to be placed on the Agenda?

*GENERAL EDGCUMBE*: I have a copy of a letter from the Hungarian Government to the Chairman of the ACC regarding Hungarians presently being expelled from the Transylvanian part of Romania. This letter was sent to Mr. Gascoigne, my Political Advisor; who passed it on to me and I would like to ask the Marshal what action, if any, he intends to take upon the matter.

*MARSHAL*: If this matter is not urgent, I would prefer to postpone discussion until later; inasmuch as it had not been formally presented on the Agenda.

*GENERAL EDGCUMBE*: The matter is not urgent and I believe it can wait.

*MARSHAL*: The first question on the Agenda relates to the repatriation of Hungarian nationals. I wish to invite the attention of General Key and General Edgumbe to the copy of the letter I sent to them from the Hungarian Government stating that the Hungarian Government will not be in a position to receive repatriates until the 10th of September. I might state that it would be difficult to receive more than one train per day, as the Hungarian Government is not in a position to take care of any more than that. This would amount to about 10,000 a week.

*GENERAL KEY*: I am surprised and disappointed that the Hungarian Government has asked for this further delay as I expected the shipment to start on the first of September as planned in the Salzburg Conference.

*MARSHAL*: I sent a letter to the Hungarian Government regarding the matter and I would like to do everything to expedite the shipment, but I am sure that they will not be able to receive more than one train per day for the present, but if it develops later that more than one train can be received, steps will be taken accordingly.

*GENERAL KEY*: This will mean that the shipments will go on well into the middle of winter.

*MARSHAL*: Everything will be done to expedite the matter on the Russian side and Marshal Koniev<sup>147</sup> in Austria has been asked to facilitate this repatriation.

*GENERAL EDGCUMBE*: I agree with General Key that the repatriation will be long drawn-out at that rate, but I am pleased to hear that the Marshal will try to expedite it.

*MARSHAL*: Now as to the question of the war criminals.

*GENERAL KEY*: We have information that 11 of the principal war criminals including Szálasi are in Salzburg and the American authorities are willing to send them here even by air but just this morning I received a radio message in which certain conditions are set forth prior to their shipment. These conditions were made by Mr. Justice Jackson, the prosecutor for the Allied nations in the Nuremberg trials.

The conditions stated are: first, they will be turned over to the Hungarian Government only if they are permitted to return as they may be needed as witnesses in the trials of more important persons. Second, that no sentence will be executed before the termination of the Nuremberg trials and thirdly, that Mr. Justice Jackson may have observers at the trial with the right to interrogate witnesses and the submission of a complete transcript of the proceedings.

Upon receipt of this message I wired Salzburg to defer shipment until the Hungarian Government states in writing that the conditions will be complied with and I have written a letter to you for delivery to the Hungarian Government setting forth these conditions.

*MARSHAL*: I would prefer to receive the war criminals rather than the letter. I cannot see how Szálasi for instance has any connection with the main criminals in Europe, nor how it would aid the trial of those criminals. On the other hand, it would be very helpful to receive them here in order that they may be hung or shot. This matter has been under discussion for a long time, but it seems now there are only 11 war criminals available whereas there were 71 before.

*GENERAL KEY*: There are still 71 on the list, but 11 of the principal ones are in Salzburg, the balances are scattered all over Europe.

*MARSHAL*: I would like to have the 11 more important brought back.

*GENERAL KEY*: This message is from General Eisenhower. It may be possible these requirements will be waived; but courts usually do not like to lose any testimony of value.

*MARSHAL*: Then the matter must be left open.

*GENERAL KEY*: If the Hungarian Government agrees to the conditions and these persons are returned, I shall ask your aid in providing sufficient guards to keep them from escaping.

*MARSHAL*: Will you permit the message from Mr. Justice Jackson to be translated?

*GENERAL KEY*: Yes. (Interpreter is given radio message, which was translated orally).

*MARSHAL*: From the telegram it appears that they consider these persons as witnesses and not as war criminals.

*GENERAL KEY*: If you wish I shall be glad to send an officer to Nuremberg to discuss this matter as I am as anxious as you are to finish this business.

*MARSHAL*: I understand.

*MARSHAL*: Now as to the next question. I would like to discuss separately the question of the businessmen and Members of Parliament.

*GENERAL EDGCUMBE*: Agreed.

*MARSHAL*: I received a letter from General Key requesting permission for certain business men to enter Hungary but it did not contain sufficient information for me to discuss it with my superiors. It is necessary in these applications that the name, the location of the firm; the family and Christian name of the person desiring to enter, and also certain facts about them, such as whether they are owners, representatives or employers etc; the purpose of the journey and the duration of their visit including the time of arrival and departure be set forth.

<sup>147</sup> Marshal of the Soviet Union Ivan Stepanovich Koniev, Commander in Chief of the First Ukrainian Front.



*GENERAL KEY:* This is the first time I have been informed that such additional information was needed. My Government sent me several telegrams asking me to secure permission for these men to enter Hungary. They want this settled as a matter of principle. They are important persons and my Government approves and requests their entry. If you want information as to the persons' age, health and so forth, we will have to give it. But if a man is an official of an oil company, radio corporation, or a telegraph company, my Government feels now that the war is over, and with the fine cooperation existing between the Three Great Allies, these business representatives should be permitted to come here. Their companies have taken a great loss and they want to know the situation. My Government, therefore, insists that this permission be granted. I would like to know if I can obtain the information you desire, will I be able to tell my Government that they will be cleared?

*MARSHAL:* Let me have the benefit of my own opinion in this matter. I do not agree with your point of view.

*GENERAL KEY:* I am expressing my Government's point of view.

*MARSHAL:* Alright, I agree the war is over but that does not mean that anybody that wants to come in here will be permitted to do so. There are various zones of occupation, by the Allied armies and it is necessary to secure permission to enter the zone controlled by General Eisenhower<sup>148</sup> and the same applies to the zone of Marshal Zhukov<sup>149</sup>, or Marshal Montgomery<sup>150</sup>. This is our zone of occupation and we are going to ask information about every person who comes in. I am not asking information as to their age or the color of their hair, but I must have sufficient information to discuss it with my superiors. When the peace treaty is signed, it might not be necessary to have all this information. As soon as the information is received, I will be in a position to discuss the matter with my Government.

*GENERAL EDGCUMBE:* I would like to say that my Government is also anxious as a matter of principle to have the question of trade representatives settled. I have stressed the large British interests in Hungary in my letters to you, and you have agreed that it would be advisable for them to come here. I would suggest that all the information that was necessary would be the name of the concern, whether it was British or United States owned, the position and name of the representative. In giving the name of the representative, I would be vouching that he would be a proper person to enter. Regarding the duration of the stay this question will be difficult as some properties might be found more seriously damaged than others. So I would also suggest that the duration be left to the discretion of the American and British representatives on the understanding that they will not stay any longer than it is necessary to carry out their work.

*MARSHAL:* The last point regarding the duration of their stay is very important, and it is my duty to find out how long they are going to stay because some of them may stay a few weeks, some may stay longer, and some may stay forever. I have heard

<sup>148</sup> General Dwight David Eisenhower (1890-1969), U.S. Forces European Theater, Commander in Chief, US Forces of Occupation in Germany.

<sup>149</sup> Marshal of the Soviet Union Georgy Konstantinovich Zhukov, Chief of the Soviet Military Administration in Germany, Commander in Chief of the Soviet Forces of Occupation in Germany.

<sup>150</sup> Marshal Bernard Law Montgomery (1887-1976), Field Marshal, Commander-in-Chief of the British Forces of Occupation in Germany.

some would like to remain here and without definite information, I cannot take this matter up with my higher commanders.

*GENERAL KEY:* Let me state my request for clearance was based on a specific directive of my Government enclosing the list of names. My Government stated they wanted these people to come in for a temporary period. When I received these instructions from my Government I wrote a letter to you on August 13 enclosing the names<sup>151</sup>. I again wrote on the 30th of August as I hadn't received any answer. Then I received another radiogram from my Government requesting information so I wrote you again on the 5th of September. My Government is insisting that a decision be made. They would like to know when this matter will be approved as this concerns some very important people with large interests. If I furnish you this information shall I be able to tell my Government that these people will be cleared?

*MARSHAL:* This information I refer to is absolutely necessary and I cannot permit people to enter Hungary without having full facts about them. These are instructions to me and I am a soldier and must obey orders. The information required is the name, the location of the firm, family and Christian name of the person and also the facts about them, and the purpose of their journey and duration of stay. As to the duration of their stay, you can say one or two months, I am interested in knowing that they will not stay forever. I made an exception in the case of correspondents and only required their name, agency, and the probable length of their visit. But I agreed only to 11 correspondents and you have brought in more and I consider this agreement has not been kept.

*GENERAL KEY:* I certainly made no agreement as to the number of correspondents. I understood that when the country was open to correspondents, they could all come in. The original letter specifically referred to certain people who were coming from the United States or other far distant places. I certainly didn't say that only that group would actually come in here.

*MARSHAL:* There must have been a misunderstanding as we never permit correspondents to come in without checking their names and papers. It will not be possible for them to come in without clearance.

*GENERAL KEY:* I gave you a list along of the correspondents after they came and assumed this was sufficient. It will be quite difficult I think to keep these people out as they drive in here from Vienna. Actually there has only been about 9 who have come to Budapest.

*MARSHAL:* Alright, we have authority over these correspondents and if they come in without clearance we will send them out by plane or car. We have the power to do so.

*GENERAL KEY:* Do you desire a written request for clearance before they come?

*MARSHAL:* Yes. When I receive a request for clearance for correspondents I will act upon it immediately. I understand what these correspondents want. Before the war they could come and go into Hungary as they pleased, but in Russia they were not allowed to do so. One correspondent sent out messages to New York and London from Moscow giving the wrong type of information regarding certain people such as

<sup>151</sup> 711.9 Allied Control Commission, Record Group 84, Budapest Legation File, NA, Washington, DC.

Presidents, Kings, Princes etc., and he was forced to leave Moscow. We must know who the correspondents are that come here.

*GENERAL EDGCUMBE:* Now as to the question of Members of Parliament.

*MARSHAL:* It is not in my power to give permission for such high officials to come here and it will be necessary to get permission from Moscow as was done in the case of the American members of Congress. If you prefer, however, you can give me the names and I will send them to Moscow for clearance.

*GENERAL EDGCUMBE:* I will do that. Now as to the British subjects desiring to leave Hungary. There are many of these people who would like to get out before the winter sets in.

*MARSHAL:* It is not necessary to discuss the matter at this meeting. I will take up the matter privately with you and I do not believe there will be any objection to these people leaving. I would like to have you supply me with a list of the names of these people.

*GENERAL KEY:* There may be some American citizens who desire to leave, if so I would like to submit their application.

*MARSHAL:* It is agreed.

*MARSHAL:* Now as to the fourth question on the Agenda, the navigation of the Danube. A decision on this question is also not within the power of the Allied Control Commission. There will be a meeting in London very shortly of the Foreign Ministers and they will discuss this matter. At the present time there is very little transport in this section of the Danube and it is not sufficient to carry out commerce. We will, therefore, postpone discussion on this matter here as the Foreign Ministers in London will take up the whole question of transportation including the use of rivers and canals.

*GENERAL EDGCUMBE:* Thank you.

*GENERAL KEY:* We proposed a question for the Agenda that was not included. I refer to the matter of the Schwabians. Are there any new developments?

*MARSHAL:* It seems to me that everything is clear on this matter as it was decided at the Potsdam Conference to transfer the decision of the expatriation of these people to the Control Commission for Germany<sup>152</sup> and it is now up to Marshal Zhukov, Marshal Montgomery and General Eisenhower to discuss this problem. I have received no word from them and nothing has been done since our last discussion of this subject.

*GENERAL KEY:* We will have to await their decision.

*MARSHAL:* Unless there is some matter of great importance, I would suggest that the next meeting be held on the 20th instead of the 10th. If there are any important matters we can call a special meeting if necessary.

*GENERAL KEY:* That will be satisfactory with me.

*GENERAL EDGCUMBE:* Agreed.

The meeting then adjourned.

Henry G. Simmonite  
Colonel, GSC  
Secretary

711.9 Allied Control Commission, Record Group 84, Budapest Legation File, NA, Washington, DC.

<sup>152</sup> See FRUS, *The Conference of Berlin, 1945*, vol. II, pp. 1459, 1495-1496, 1511.

## 10.

*Conference of 21 September 1945*

Minutes of a formal meeting of the ACC where matters concerning the return of Hungarian ships, the expulsion of Hungarians from Czechoslovakia, Hungarian war criminals, etc., were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

Seventh Meeting of the ACC, 24 September 1945

### MINUTES

The Seventh Meeting of the Allied Control Commission for Hungary was held 16.00 hours on 24 September 1945 in the conference room of the Headquarters of the Soviet Union, ACC for Hungary, in Bajza utca near Andrássy út, Budapest, Hungary.

The meeting was called to order by the Chairman, Marshal of the Soviet Union, K. E. Voroshilov, who presided.

*PRESENT WERE:* *The United States Representation:* Major General William S. Key, Colonel Dallas S. Townsend, Captain William F. Dietrich, USN, Colonel Henry G. Simmonite, Lt. Colonel Lawrence R. Hagy and Lt. Vladimir S. Veden<sup>153</sup> USN.

*The British Representation:* Commodore J. H. Simpson, Brigadier E. E. Mockler-Ferryman, Cmdr. E. H. C. Branson, Lt. Colonel J. B. Pemberton, Lt. Colonel P. C. Capron, Mr. S. V. Chambers and Mr. J. B. Stewart.

*The Russian Representation:* Marshal K. E. Voroshilov, Lt. Gen. Sviridov, Major General Cherbakov, General Kondratov, Major General I. I. Levushkin, Major General A. M. Belianov, Rear Admiral Trainin, Commodore Belikov, Colonel U. I. Sova, Colonel Ostrovsky, Lt. Colonel M. I. Cherkasov.

The discussion, which followed as noted by the Secretary, is substantially as follows, subject to any discrepancies in translation from the Russian.

*MARSHAL:* The meeting will follow the previously prepared Agenda as follows:

### AGENDA

Seventh Meeting - 24 September 45

1. The return of Hungarian ships now on that part of the Danube in the zone of American occupation. (Letter of the Hungarian Government).
2. The repatriation of Hungarian citizens and former prisoners-of-war from the territories occupied by the Anglo-American forces. (Question raised by Major General Key with the proposition to increase the delivery to up to two echelons a day).
3. The Hungarian war criminals. (Question raised by the English Representation on ACC with the account of the point of view of the English Government on the return of the Hungarian war criminals.)

<sup>153</sup> Lieutenant Vladimir S. Veden, member of the Naval Division of the United States Representation.

4. Re-establishment of communications. (Question raised by Major General Key.)

5. The eviction of Hungarians from Czechoslovakia and Romania. (Question raised by Major General Key.)

*MARSHAL:* The Hungarian Government in a letter addressed to me requested the transfer of the ships formerly belonging to the Hungarian Government in that part of the Danube in the zone of American and British occupation. I would like to have the opinion of the United States and British representatives as to the possibility of the return of these ships, but I presume it would be necessary to refer the matter to your Governments and it would probably be necessary to pass it over until the next meeting.

*GENERAL KEY:* Yes, the matter must be passed over as it will be necessary for me to take up the matter with my Government before I can make any statement on it.

*COMMODORE SIMPSON:* I will also do the same.

*MARSHAL:* The next question is the repatriation of Hungarians. General Key has raised the question of an increase in the number of trains from one to two per day. I am pleased to say that Marshal Koniev, the Soviet Commander in Austria, says that he has no objection to sending two trains a day so I believe this matter can be arranged.

*COMMODORE SIMPSON:* I am very pleased to hear that.

*GENERAL KEY:* That is good news for us; thank you very much for your efforts and I would like to have you thank Marshal Koniev for me.

*COMMODORE SIMPSON:* I would like to know if the camps are ready to receive his increase.

*GENERAL KEY:* The Hungarian Government says that they are. Maybe the Marshal has something to say about this.

*MARSHAL:* The Hungarian Government says they are prepared to receive this increase but I might add that the camps are not in too good condition. However, this really makes no difference as they are ill prepared to receive even 100 per day so they would still not be prepared for the reception of 5000. It really makes no difference.

*MARSHAL:* The British Delegation has placed the question of Hungarian War Criminals on the Agenda. Have you anything to say, Commodore Simpson?

*COMMODORE SIMPSON:* I submitted a letter with the Agenda and General Key received a copy. I do not believe it is necessary to read the letter at this time but if the Marshal has any questions as to any point, I will be glad to elucidate if I am able. The letter however is not open for discussion as it is a matter of policy that has been decided by my Government.

*MARSHAL:* I understand that the letter sets forth policy of the British Government and I took it as such; so I do not care to discuss the matter. The British Government has made known its point of view and I have taken that into consideration.

*COMMODORE SIMPSON:* There is one point not mentioned in the letter which since came to my attention and that is that the British Government does not desire to have a Representative at the Trials in Hungary.

*MARSHAL:* Up to the present time there have not been many War Criminals apprehended in Hungary as most of the people in question fled to the territory now occupied by American and British troops, however, none of these criminals have been sent here and I would like to see them brought back.

*GENERAL KEY:* I hope to be able to show you some very shortly, probably this week. As you know, the Hungarian Government has agreed to the conditions imposed by U. S. Army Authorities and I expect to hear that they will be on their way shortly.

*MARSHAL:* All right. We will now take up the question of communications.

*GENERAL KEY:* I have specifically raised the question of Postal Service and I would like to know when the Mail Service can be re-established?

*MARSHAL:* Regarding Radio Communications, everything has been prepared to re-establish them with the United States and the United Kingdom. It is merely a matter of working out the technical details. I believe the British and United States representatives should confer with the Hungarian Government as to the necessary call signs and frequency. As to Postal Communications, it is not in my power to decide this matter. I have talked with the Hungarian Government as to the possibility of their re-establishment but I have not received any answer up until now. As soon as I receive a reply I will let you know immediately.

*GENERAL KEY:* Do I understand that as soon as the Hungarian Government is able to handle their end of the Postal Communications, the Allied Control Commission will approve?

*MARSHAL:* No, that is not the case. It is not in my power to decide but as soon as the Hungarian Government has reached a decision, they are to advise me and then I will find out whether or not my Government will approve the re-establishment of Postal Communications. This is an international matter concerning several other countries and cannot be decided by the Allied Control Commission. I will tell you the results of the discussions with the Hungarian Government and will send you a copy of their letter.

*GENERAL KEY:* Thank you.

*MARSHAL:* General Key, you have raised the question of the eviction of Hungarians from Czechoslovakia and Romania.

*GENERAL KEY:* I placed this question on the Agenda for information because we have had a number of reports concerning these deportations from Slovakia and Romania. I know nothing about it but merely brought it up to see if you had any information. This is not a complaint, but is merely a case where we are seeking information.

*MARSHAL:* During the last month we have received many complaints from the Hungarian Government that Slovakian officials have deported people of Hungarian ancestry from Slovakia<sup>154</sup>. Practically all of these complaints do not have any factual basis and were just based on rumors<sup>155</sup>; but all the complaints have been sent to the Czechoslovakian representative here to be forwarded to Czechoslovakia. In addition to them, around the end of August I received two complaints from the Hungarian Government based on rumors concerning deportations from Romania. I sent these

<sup>154</sup> See footnote 130.

<sup>155</sup> Despite the Marshal's allegations, the Czechoslovak authorities forced Hungarians to leave the country; they were dismissed from their jobs, their properties were confiscated, and they often had to do forced labor. By September 18 1945, 8387 Hungarians had been expelled and an additional 17,001 persons fled Czechoslovakia. See, Ágnes Tóth, *Telepítések Magyarországon 1945-1948 között*, Kecskemét, 1993, pp. 152-170.

notes to the local Romanian representative. If you would like to have copies of these letters I will send them to you.

*GENERAL KEY:* It will be helpful if you will do this as this must be reported to my Government. I would like to bring up the matter not on Agenda, which you might desire to decide now. It concerns the party of Brazilian Army officers who desire to visit Budapest on the 27th of September. They are to come here from Austria by plane. General Clark has requested that they be cleared.

*MARSHAL:* I have no objections. I presume they are also just some more visitors who want to see what Budapest looks like.

The meeting then adjourned.

Henry G. Simmonite  
Colonel, GSC  
Secretary

711.9 Allied Control Commission, Record Group 84, Budapest Legation File, NA, Washington, DC.

## 11.

*Conference of 10 October 1945*

Minutes of a formal meeting of the ACC where matters concerning the expulsion of Schwabians, the return of Hungarian steamships, the resumption of postal services, etc., were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

Eight Meeting of the ACC, 10 October 1945  
*MINUTES*

The Eighth Meeting of the Allied Control Commission for Hungary was held at 16.00 hours on 10 October 1945 in the conference room of the Headquarters of the Soviet Union, ACC for Hungary, in Bajza utca near Andrassy út, Budapest, Hungary.

The Meeting was called to order by the Chairman, Marshal of the Soviet Union K. E. Voroshilov, who presided.

*PRESENT WERE:* The United States Representation: Major General William S. Key, Colonel Dallas S. Townsend, Captain William F. Dietrich, USN, Lt. Colonel Lawrence R. Hagy and Major Edward J. Czerniuk.

The British Representation: Major General O. P. Edgcumbe, CBN, MC, Air Commodore J. M. Simpson, Brigadier E. E. Mockler-Ferryman, Commander E. H. C. Branson, Lt. Colonel P. C. Capron, Major F. Archer, Major A. Englehardt, Mr. S. V. Chambers and Mr. Stewart.

The Soviet Representation: Marshal K. E. Voroshilov, Lt. General V. P. Sviridov, Major General Cherbakov, Major General Levushkin, Major General Kondratov, Colonel U. I. Sova, Colonel Ostrovsky, Lt. Colonel Cherkasov and Lt. Potapov.

The discussion, which followed as noted by the Secretary, is substantially as follows, subject to any discrepancies in translation from the Russian:

*MARSHAL:* The meeting will follow the previously prepared Agenda as follows:

### AGENDA

EIGHTH MEETING - 10 October 1945

1. The return of the Hungarian steamships now on the Danube in the American zone of occupation. (Note of Hungarian Government).
2. The return of Hungarian property taken away by the Germans and Szalasisists and now to be found in the Anglo-American zone of occupation. (Note of Hungarian Government).
3. The banishment of the Schwabs from Hungary. (Question of the English Government).
4. The establishment of diplomatic relations between Sweden and Belgium and Hungary. (Question of the English Government).
5. Official French Representative. (Question of the English Representation).
6. The surplus of provisions in Hungary to be sent to Austria. (Question of the English Representation).
7. The resumption of postal connection. (Question of the English Representation).
8. The radio connection (Question of the United States Representation).
9. Current Affairs.
1. Fulfillment of Article XI of the Agreement. (Question of the United States Representation).
2. Information concerning navigation of the Danube. (Question of the United States Representation).

*MARSHAL:* Are there any additional questions to be placed on the Agenda?

*GENERAL EDGCUMBE:* I have two additions to make: Firstly, to add to paragraph 4 the word after "Sweden" the word "Belgium", and secondly, because of the request of my Government representation on the AC Council<sup>156</sup>.

*MARSHAL:* The first question on the Agenda relates to the return of the Hungarian steamships now on the Danube in the American zone of occupation.

*GENERAL KEY:* I have reported this to my Government. The United States is having all vessels inventoried and it can be assumed that thereafter the status thereof will be a matter to be settled between the three principal Allies. This also pertains to question No. 2 [on the Agenda]; I have just received the second list and doubt that the quantities stated are correct<sup>157</sup>. I am sending the list and the Prime Minister's letter to my Government.

*MARSHAL:* What do you suggest we answer the Hungarian Government?

<sup>156</sup> Allied Control Council in Germany.

<sup>157</sup> A special committee of the Hungarian Government reported on 14 September 1945 that it had found, among other things, 104 Hungarian barges, 10 oil-ships, 500 wagons, 40 locomotives, 1600 motor vehicles (700 trucks), 2000 horses, 168 145 tons of industrial products etc. in Czechoslovakia and in the American zone of occupation of Austria and Germany. The committee also had indirect evidence of 25,000 wagons, 600 locomotives and equipment of 24 Hungarian factories had been moved into Germany or Austria. Szücs, *ibid.*, vol. B, pp. 297-299

*GENERAL KEY:* That we inform them of the receipt of their letter and of my actions in forwarding it to my Government for its consideration<sup>158</sup>.

*MARSHAL:* Well then, a preliminary reply will be sent to the Hungarian Government along the lines as stated.

*MARSHAL:* Let us now discuss question 3 on the Agenda.

*GENERAL EDGCUMBE:* I have been given orders by my Government on behalf of the A. C. Council in Germany, which has a big task in regards to deportees. It is necessary to know the following information:

- a. Total number of Schwabians to be deported.
- b. Total number of persons under 12 to be deported.
- c. Total number of persons over 60 to be deported.
- d. Total by sex and occupation.

Will the Marshal ask the Hungarian Government to furnish me with this information?

*GENERAL KEY:* Marshal, I wrote you yesterday requesting the same information, which I assume you have received.

*MARSHAL:* I suggest our Chiefs of Headquarters get together to draw up a form and consider the many problems that will confront these deportees. This special form is desirable, but it is not intended to delay the answer. Schwabs present in Hungary will not help democracy in the country. These Schwabs have much property, others have more which is of interest to my Government. Tomorrow the officers will meet and draw up this form.

*MARSHAL:* In regards to Paragraph 4 of the Agenda, I have written a letter 29 September 1945 to the Hungarians per instructions of my Government, informing the Hungarian Government that Sweden requested the reestablishment of diplomatic relations with Hungary. The Hungarian Government is ready to reestablish diplomatic relations as per letter 2 October 1945, which has been forwarded to the USSR. As in regards to Belgium, I do not know anything except what I have read in the papers. I have no official information.

*GENERAL EDGCUMBE:* I do not feel I understand the matter as to Sweden quite clearly. Do I assume rightly that the Hungarian Government is willing to reestablish diplomatic relations and therefore it will be brought about by the USSR instead of the ACC?

*MARSHAL:* There does not seem to be anything in the Statutes of the terms of the Armistice which states that ACC must act upon a neutral country's request to establish diplomatic relationship with Hungary. The Potsdam Conference did not discuss or establish policy for ACC to act upon the neutral countries when they request that diplomatic relations be established with Hungary.

*GENERAL KEY:* My Government would like to be informed when any country makes known its desire to reestablish diplomatic relations with the Hungarian Government.

*MARSHAL:* We will establish that policy in the future of notifying the members. But there seems to be some misunderstanding, in this case the Swedish Government

<sup>158</sup> Concerning the steps taken by the US Government in connection with Hungarian vessels, see FRUS 1945, vol. IV, pp. 902-903, 905-906.

had requested my Government to take this matter up and, therefore, I as representative of my Government, had forwarded the request; therefore I have not discussed this matter of opening diplomatic relations between Hungary and Sweden at the ACC.

*MARSHAL:* Let us continue with the Agenda. I do not know anything about this so-called Mr. Paul Giraud being the French Representative here. I do not know anything about him or his appointment. Perhaps the English Government has further information to offer.

*GENERAL EDGCUMBE:* Mr. Giraud had visited Mr. Gascoigne and stated he was appointed as the French Representative, but I guess he was over-exaggerating.

*MARSHAL:* The only contact we had with such a person who calls himself Mr. Paul Giraud was when a control point had taken his car: but to me he probably was a self-appointed French Representative.

*MARSHAL:* Let us go on to the next problem. I had received a letter from the USSR and forwarded some data to the Hungarian Government. This letter deals with question of help for Austria, by Hungary and neighboring states, as to what surpluses they have to make available of foodstuffs to Austria. Answer to be given on current surpluses and next crops during three months, within one month, as the London Council can be notified. As soon as the Hungarian Government answers I will take it up next conference. I doubt there will be any surpluses since there is already here in Budapest a shortage of flour and other things.

*GENERAL EDGCUMBE:* I agree with the Marshal to wait until the next meeting and would request copies of the Hungarian Government's reply to be given a few days before the next meeting.

*GENERAL KEY:* I would like to receive a copy of the Hungarian Government's reply, also a copy of the Marshal's letter to the Hungarian Government.

*MARSHAL:* There are no objections to establish postal communications by whatever means possible, except the railroad at present time is hardly the best means because of slowness of traffic and it is unsafe. Air transport would, as in the case of the U. S., be the best method at present.

*GENERAL EDGCUMBE:* Thank you, I am satisfied.

*MARSHAL:* Let us go to the 8th paragraph of the Agenda. I do not know of any cases where radiograms have been delayed to your Government since they are not censored. As to private telegrams, which in the case of war correspondents, there are sometimes erroneous reports about the country, then the censorship will hold up such radiograms.

*GENERAL KEY:* No U. S. Government radiograms are sent or received by Hungarian commercial company. War correspondents complain that their dispatches are held up unduly.

*MARSHAL:* Reason for delay is too many telegrams and also censorship. Sometimes the correspondents do not write the truth and these must be checked. I will take every measure to improve the conditions of censorship and also improve the service.

*GENERAL KEY:* I would appreciate it if I could be informed of any censorship of messages so I could tell the correspondents. Also would appreciate it if the Marshal would cause the Hungarian Government to expedite the sending of messages.

*MARSHAL:* As in regards to Article XI of the Armistice, I cannot answer this question; it is not in my competence or in my power. The strength of the occupational troops and their supply concern only the Soviet Government. I would like to know a lot of things about the Allies too.

*GENERAL KEY:* It is not a matter of curiosity. My Government believes it has a bearing on exportable foodstuffs to Austria, and besides there are reports of Red Army troops moving into Hungary from Czechoslovakia which will have to be subsisted, therefore, my Government would appreciate an answer.

*MARSHAL:* The ACC is not empowered to discuss matters that pertain to the USSR Government only.

*GENERAL KEY:* May I ask if Article XI is being satisfactorily fulfilled? Can the Marshal answer that?

*MARSHAL:* I see that General Key is trying to get an answer by hook or by crook. We have no complaints from the Hungarian Government and the Commander of the Red Army has no complaints for the Hungarian Government.

*GENERAL KEY:* Marshal, when I want information I do not ask anyone also, I ask you.

*MARSHAL:* I am always glad to answer any question if it is in my power to do so and if I know the answer. I have no complaints from the occupation troops, nor have I any complaints from the Hungarian Government in regards to the fulfillment of Article XI of the Armistice Terms. It is true we had minor complaints from the Hungarian Government, but as you know we all learned to shoot well in this war – it is not an easy thing to stop. But we have not received serious complaints from the Hungarian Government.

*MARSHAL:* I cannot tell you much about the last question on the Agenda. At the next conference I will have some naval officers and members of the Hungarian Government come to tell us all they know. Are there any other questions that can be added to the Agenda before the conference ends?

*GENERAL KEY:* I have some good news now. Last week we turned over eleven War Criminals, including Szálasi, to the Hungarian Government for trial<sup>159</sup>. This week we have turned over eighteen more, which completes shipment of the first group. We have only received a list of 71 names from the Hungarian Government through you. I would like to have the names of the remainder of the 500 War Criminals.

*MARSHAL:* We shall send you the list immediately, tonight if necessary.

*GENERAL KEY:* Tomorrow or next week will be sufficient time.

*GENERAL EDGCUMBE:* I, too, would like to have a copy of the War Criminals list.

*MARSHAL:* Well, if there are no further questions on the Agenda the Meeting is adjourned.

Conference ended 18.00

711.9 Allied Control Commission, Record Group 84, Budapest Legation File, NA, Washington, DC.

<sup>159</sup> On 3 October 1945 Ferenc Szálasi, László Bárdossy, Béla Imrédy, László Endre, Andor Jaross, Lajos Reményi-Schneller, Vilmos Hellebronth, Antal Kunder, Ferenc Kassai-Schallmayer, Jenő Szöllösy-Naszlukács and Ernő Gömbös were handed over to the Hungarian police by the U.S. military authorities.

## 12.

*Conference of 22 October 1945*

Minutes of a formal meeting of the ACC where matters concerning the standard of nutrition in Hungary, reparations, Hungarian glider clubs, etc., were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest.

Ninth Meeting of the ACC, 22 October 1945

### NOTES

The Ninth Meeting of the Allied Control Commission for Hungary was held at 16.00 hours on 22 October 1945 in the conference room of the Headquarters of the Soviet Union, ACC for Hungary, in Bajza utca near Andrássy út, Budapest, Hungary.

The Meeting was called to order by the Acting Chairman, Lieutenant General V. Sviridov, who presided.

*PRESENT WERE:* *The United States Representation:* Major General William S. Key, Colonel Dallas S. Townsend, Captain William F. Dietrich, USN, Lt. Colonel Lawrence R. Hagy and Major Edward J. Czerniuk.

*The British Representation:* Major General O. P. Edgcumbe, CBE, MC, Air Commodore J. H. Simpson, Brigadier E. E. Mockler-Ferryman, Commander E. H. C. Branson, Lt. Colonel P. C. Capron, Major F. Archer<sup>160</sup>, Mr. S. V. Chambers.

*The Soviet Representation:* Lieutenant General V. Sviridov, Major General Cherbakov, Major General Levushkin, Major General Kondratov, Colonel U. I. Sova, Colonel Ostrovsky, Lt. Colonel Cherkasov and Lt. Potapov.

The discussion, which followed as noted by the Secretary, is substantially as follows, subject to any discrepancies in translation from the Russian:

*GENERAL SVIRIDOV:* Gentlemen, we will begin our conference. Marshal Voroshilov is unable to attend and asked me to preside in his place.

### AGENDA

NINTH MEETING – 22 October 1945

1. The return of the Hungarian steamships which are now on the Danube in the zone of American occupation; and the return of Hungarian property carried off by the Germans and Szalasisists, now in the zone of Anglo-American occupation. (Replies of General Key and General Edgcumbe).
2. The condition of the bed of River Danube and obstacles on the Danube. (Question raised by General Key).
3. Repatriation of Hungarians from Austria and Sweden. (Question raised by General Edgcumbe).
4. The standard of nutrition in Hungary.

<sup>160</sup> Major A. A. Archer, Secretariat of the British Military Mission.

(Question raised by General Edgcumbe).

5. The Hungarian glider clubs.

(Question raised by General Edgcumbe).

6. The flights from Vienna to Budapest.

(Question raised by General Key).

7. The situation concerning reparations.

(Question raised by General Key).

*GENERAL SVIRIDOV:* The first subject is the request of the Hungarian Government for return of its property from U. S. and British occupied areas.

*GENERAL KEY:* I have nothing new to report on this subject. List of properties was sent to my Government and I hope to have information on it shortly.

*GENERAL EDGCUMBE:* I have nothing to report either.

*GENERAL KEY:* Should I receive any information before the next meeting I will inform the Chairman and ask him to inform the Hungarian Government accordingly.

*GENERAL SVIRIDOV:* Admiral Trainin will make a report on the Danube.

*ADMIRAL TRAININ:* Most important obstacles to navigation are destroyed bridges and mines.

*GENERAL KEY:* If the Admiral has a written report I wish he would give copies thereof to our naval officers and thus save the lengthy reading.

*GENERAL SVIRIDOV:* The Admiral would like to read his report and then answer any questions concerning it.

*ADMIRAL TRAININ:* All bridges destroyed by Germans. List: bridge at Medve<sup>161</sup>, two spans blown; railroad bridge at Komárom, all spans gone, one passage cleared; high water bridge at Komárom blown; bridge at Esztergom, three middle spans blown, passage possible under first span on right bank; Újpest, one span remains, ships can pass; Margit-híd, all spans destroyed, pass with difficulty over one; Lánchíd, all spans destroyed, first span of right bank cleared and passage possible; Elizabeth [Erzsébet-híd], whole span in water, can pass over; Ferenc József bridge<sup>162</sup>, can pass under left bank span; Horthy bridge, passage on left bank cleared by Red Army troops; south railroad bridge, Dunaföldvár, completely destroyed, passage cleared along right bank; railroad bridge at Baja, passage cleared over middle span. Red Army troops have given engineers to clear wreckage. Red Army troops are going to clear up wrecked bridges and minefields. Minefields are not all cleared up: they are isolated and in fields, etc. Navigation is reasonable safe, but in some places it is necessary to have minesweepers proceed ahead of shipping. Tisza River; 16 bridges destroyed; navigable only to Szeged and Csongrád; navigable between wrecked bridges for light craft. This report deals only with navigation of the Danube in Hungary.

*GENERAL KEY:* I would like to have a copy of the Admiral's report.

*GENERAL SVIRIDOV:* I will report to the Marshal and ask him whether a copy of this matter as translated in English can be given to the Americans and British.

*GENERAL EDGCUMBE:* I would like to know regarding the question as to status of returning prisoners of war and deportees and how many, if any, are being detained in camps.

<sup>161</sup> A small town in Slovakia now called Medvedov.

<sup>162</sup> It is now called Szabad-szig-híd.

*GENERAL SVIRIDOV:* Since 10 September 55 trains have arrived with 80,188 prisoners of war and displaced persons; 47 trains from American zone, 7 from British zone and 1 from French zone. The number left in camps for further checking is 2,067, less than 2.5%. The number of deportees en route alters continually these figures, which includes arrivals up to 19 October.

*GENERAL EDGCUMBE:* I would like to suggest a copy of this report be issued to each group here and also that a monthly summary be issued to keep us informed, and then we can ask questions as meetings take place.

*GENERAL KEY:* I concur in that suggestion.

*GENERAL EDGCUMBE:* 1,600 displaced Hungarians are now in Sweden, which wants to get rid of them. I suggest they be sent to Austria and then brought in to here from there. I have my information from UNRRA people taking care of these displaced persons in Sweden.

*GENERAL SVIRIDOV:* Marshal Voroshilov received General Edgcumbe's letter and he agrees to repatriate those from Sweden to Hungary and request they be brought to Hegyeshalom by special train. Hungarian Government has been informed.

*GENERAL KEY:* I suggest it would be best to bring them direct to Hungary, thereby saving clearance in Austria.

*GENERAL EDGCUMBE:* I understand the Swedes want to send them to a North German port for the Control Council in Berlin to arrange for their transportation to Hungary.

*GENERAL KEY:* Let us approve the request for return of them to Hungary and let UNRRA determine how they should be moved.

*GENERAL SVIRIDOV:* Agreed.

*GENERAL EDGCUMBE:* Under this question, there are 10 Hungarians in Egypt. They were very pro-German and Egypt would like to get rid of them. They can be sent to Italy and then brought here. I would like to get an answer on this.

*GENERAL SVIRIDOV:* I will try to get it before the next meeting.

*GENERAL KEY:* I would like to report that 20 more Hungarian War criminals were returned here by plane yesterday for trial.

*GENERAL EDGCUMBE:* I have been asked to get an answer to the question of the standard of nutrition in Hungary by the Control Council in Germany and request the Hungarian Government be asked to give this data.

*GENERAL SVIRIDOV:* We are not in position to give this information, but the Hungarian Government will probably answer all the information asked. We have received some information, but the Hungarian Government does not know how much unrationed foodstuffs are on sale on the market. They do not have anyone keeping such record.

*GENERAL EDGCUMBE:* I would suggest the Chairman send us the information just what ever he has. I presume it will take up much time to read it.

*GENERAL SVIRIDOV:* It is mostly rumors or talk, even though there may be ration cards, since there is no butter, no bread, no meat.

*GENERAL EDGCUMBE:* I am interested in knowing about this since I have seen persons gliding. One knows that gliding has potential use in the air force of the future. What has the ACC done about regulations on this subject?

*GENERAL SVIRIDOV:* There are two parts: 1. What are the aircraft in Hungary, including gliders? 2. What are the trainers, etc., in Hungary, including gliders? No one

gave permission to glider clubs, ACC or Hungarian Government, as there are no instructions against gliding. They come to Budapest to glide.

*AIR COMMODORE SIMPSON:* They also are in Szeged.

*GENERAL SVIRIDOV:* The Hungarian Government has following air or gliding small training groups: 1,725 members, 34 groups; they also have 229 gliders, 34 instructors (regular and civilian instructors on control). There is no law against the use of gliders in Hungary, but the Hungarian Government will send to ACC its regulations.

*GENERAL KEY:* Has there been any increase in the Hungarian Army since we took up the question a few months ago?

*GENERAL SVIRIDOV:* It has not increased, rather decreased as they sent the old men home. If you want the list of aircraft I will be glad to give it.

*GENERAL EDGCUMBE:* I suppose the Hungarian Government is going to ask permission of the ACC to have glider instruction, since it is a question we are interested in. It is training for an air force and should be controlled.

*GENERAL KEY:* The number of persons enrolled seems excessive.

*GENERAL SVIRIDOV:* Agreed.

*GENERAL KEY:* My Government wants to make regular plane flights from Vienna, through Budapest to Belgrade and Bucharest to supply U. S. Army Units in those cities.

*GENERAL SVIRIDOV:* As those flights will interest neighboring countries, they will attach some interest to this matter. The Marshal cannot decide this matter; it is not within his power to do so. It is up to the various governments to decide this matter. We will consider requests for special flights as heretofore.

*GENERAL KEY:* It was my intention that planes land here and then go to Belgrade, etc., after getting clearance from Belgrade, etc., to land there. Perhaps my letter was not clear enough. After 1 November the flights from Italy will be discontinued and our planes will come from Vienna, Salzburg and points west.

*GENERAL SVIRIDOV:* The Marshal expects to do as he did before, getting permission for each plane.

*GENERAL KEY:* What is wanted is merely that the plane can get up from the field here and go on towards Belgrade, not to ask permission to land at Belgrade. That will be handled separately.

*GENERAL SVIRIDOV:* Again the Marshal's decision is called to your attention. If a change is desired, the matter should be taken up by the various governments.

*GENERAL KEY:* I would like to know whether the Hungarian Government is keeping up its schedule of payments of reparations and wonder if the General can tell us about that.

*GENERAL SVIRIDOV:* I am sorry to report that the conditions of fulfillment are very bad; and the same effects Yugoslavia and Czechoslovakia.

*GENERAL KEY:* Can the General tell us what percentage has been paid?

*GENERAL SVIRIDOV:* The picture is different on various commodities. It runs from about 0-30% on different commodities.

*GENERAL KEY:* Is the outlook for future payments encouraging?

*GENERAL SVIRIDOV:* It would be encouraging if the Hungarian Government could build up their industry.

*GENERAL KEY:* Are they meeting their obligations on foodstuffs, hogs, grains, etc.?

*GENERAL SVIRIDOV:* Probably you have been informed that the Hungarian Government has obtained permission from the Soviet Government to postpone all payments on foodstuffs till 1946<sup>163</sup>.

*GENERAL EDGCUMBE:* I would like to take up the matter of Press Censorship. There have been no cases of censorship called to my attention but the great delay in sending messages because of censorship has caused days of wasted time. The Potsdam Conference agreed that representatives will enjoy full freedom in sending their press messages. I do not feel that with the delays in sending press messages that our journalists are enjoying full freedom. I've been told that in Bulgaria and Romania the censorship has been lifted.

*GENERAL KEY:* I concur in this request, since I brought up the subject at the last meeting.

*GENERAL SVIRIDOV:* I will transmit your requests to the Marshal.

*GENERAL EDGCUMBE:* I would like to either make a statement now, or if the General would like, make the statement to the Marshal tomorrow at his pleasure, dealing with the Trade Agreement<sup>164</sup>. My Government has transmitted its views to me in this matter.

*GENERAL KEY:* My Government is also greatly interested in this question and I would like to have it discussed now.

*GENERAL SVIRIDOV:* I am sorry, but I do not know the Marshal's decision or his point of view and suggest you both see him tomorrow.

*GENERAL EDGCUMBE:* The urgency makes it important that I see the Marshal tomorrow and I will appreciate your making the appointment.

*GENERAL KEY:* I also want to discuss this subject with him tomorrow.

*GENERAL EDGCUMBE:* I make a suggestion that we have the meeting together.

*GENERAL KEY:* That will be all right.

*GENERAL SVIRIDOV:* I will inform the Marshal that you both want to see him tomorrow<sup>165</sup>.

Meeting adjourned.

711.9 Allied Control Commission, Record Group 84, Budapest Legation File, NA, Washington, D.C.

<sup>163</sup> The Memorandum of the Hungarian Government was prepared on 18 October 1945. Marshal Voroshilov, according to the Hungarian Foreign Minister János Gyöngyösi, took offence at a statement of the Memorandum that Soviet demands would result starvation in Hungary. Szűcs, *ibid.*, vol. B, p. 425.

<sup>164</sup> Representatives of the Soviet and Hungarian Governments concluded a short-term trade agreement and a long-term economic collaboration agreement on 27 August, 1945 in Moscow. The trade agreement ensured that Hungarian foreign trade would be effected predominantly with the Soviet Union in the field of raw materials, oil products, food industry, medicines etc. The economic cooperation agreement provided that joint Soviet-Hungarian companies would be established in the fields of oil, aluminum, iron and chemical industries, electric power, river, air and motor transport. American and British diplomacy tried to secure equal economic connections with Hungary for that protested many times against exclusive economic agreement and requested that the agreement be delayed until the conclusion of the peace treaty with Hungary. In spite of these protests, Hungarian National Supreme Council ratified the economic collaboration agreement on 20 December, 1945. FRUS 1945, vol. IV, pp. 881-889. See also, Sipos-Vida, *The Soviet-Hungarian economic agreement signed on 27 August 1945 and Western diplomacy in the Special Edition of the Hungarian Quarterly on Foreign Policy*, Budapest, 1985, pp. 147-174.

<sup>165</sup> The meeting with Marshal Voroshilov was held on 1 November 1945. See document 13.



### 13.

*Conference of 1 November 1945*

#### Unsigned Memorandum of an ACC meeting regarding the Soviet-Hungarian Economic Agreement, prepared by the British Military Representation, dated 2 November, 1945

From: B. M. M. Hungary.  
To: The War Office.  
Info: B. M. M. Romania, B. M. M. Bulgaria.

#### **IMPORTANT**

BM/1308 Cipher 2 Nov *SECRET*

1. General Key and I had meeting with Marshal Voroshilov Chairman ACC 1st November and discussed following points.

2. Agreement economic co-operation Soviet Union and Hungary<sup>166</sup>. I referred to letters which I had written the chairman on subject stating H. M. Government considered matter one which should have been brought before ACC I pointed out danger [?] misunderstanding on part of Hungarian Government that proposed agreement had approval of ACC and Governments concerned. I asked chairman to assure me that matter had not been dealt with in name of ACC and that no (rpt<sup>167</sup> no) pressure was being put on Hungarian Government by chairman ACC to ratify agreement. Marshal replied matter was for diplomats and discussion between Governments concerned adding that his Government was free to make agreements without reference to ACC in same way as arrangements could be made for exchange of diplomatic representatives. I could not (rpt not) obtain any definite assurance from chairman that he would not (rpt not) exert any pressure here. General Key stated his Government interested and supported me.

3. Reorganization of Hungarian Army<sup>168</sup>. General Key raised this matter saying that he had information that instructions had been issued in name of ACC for early reorganization of Hungarian Army although this matter had not (rpt not) been discussed at any ACC meeting. He stressed such important matters ought to be discussed before any instructions issued Hungarian Govt. Chairman said information not (rpt

<sup>166</sup> See footnote 164.

<sup>167</sup> Repeat.

<sup>168</sup> The Hungarian Prime Minister Béla Miklós sent a letter both to the American and the British Military Missions on 3 November 1945, informing the heads of missions that Chief of Military Department of ACC, Major General Kondratov, had ordered the reduction of the strength of the Hungarian Army to 70 per cent in two weeks. Prime Minister Miklós pointed out that the Armistice Agreement did not regulate the peacetime footing of the Hungarian Army and Hungary's sovereignty had been limited only as to the fulfillment of the Agreement. Miklós also stated that Kondratov's orders concerned not only the peacetime footing of the Army, but the number and the legal status of civilians working for the Ministry of National Defense which was not a military but a civilian authority. Therefore the execution of the orders would not have been in accordance with Hungarian constitutional law and would have violated Hungary's sovereignty. The Prime Minister enclosed the translation of Kondratov's letter dated 22 October, which was written in the name of the Allied Control Commission for Hungary, and asked Maj. Gen. Key and Maj. Gen. Edgcombe to obtain from the Soviet Mission the suspension of the reduction of the army until the signing of the peace treaty. 711.9 Budapest Legation Files, Record Group 84; NA, Washington, D.C. See also, MOL XIX-A-58 III-1-C-8.

not) accurate and that he had only told his staff to investigate matter. General Key produced actual document which clearly gives instructions and said lack of co-operation in ACC in important matters such as this gave Hungarians chance to attempt to drive wedge between allies. Chairman agreed and repeated matter would be brought up at meeting of ACC I stated I entirely agreed with General Key and explained that information on this matter had come to British political representative through Hungarian Govt. Official who thought we knew all about it as document was in name of ACC. I stressed what a difficult position was thus created. Chairman agreed saying again it was due to a mistake of his staff. Both General Key and I handed letters regarding this matter to the Chairman.

4. Press representatives and censorship. Chairman raised this point complaining of inaccurate reports in British and American press about his interfering with Hungarian elections. Regarding censorship he said none (rpt none) had taken place and delays in press messages were due either to technical difficulties or pressure of traffic. Both I and General Key asked further about censorship and Chairman replied that there was no (rpt no) censorship though he reserved right to hold up messages in necessary.

5. Minister<sup>169</sup> is reporting to Foreign Office regarding all above matters. In a following telegram I am sending full particulars proposed reorganization Hungarian Army and full text of proposals by next mail.

PHL<sup>170</sup> 508, f. 1139, ó. c.

### 14.

*Conference of 15 November 1945*

Minutes of a formal meeting of the ACC where matters concerning Article 14 of the Armistice, clearances, the establishment of financial relations with Great Britain, etc., were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

Tenth Meeting of the ACC, 15 November 1945

#### **NOTES**

The Tenth Meeting of the Allied Control Commission for Hungary was held at 15.00 hours on 15 November 1945 in the conference room of the Headquarters of the Soviet Union, ACC for Hungary, in Bajza utca near Andrassy út, Budapest, Hungary.

The Meeting was called to order by the Chairman, Marshal of the Soviet Union K. E. Voroshilov, who presided.

*PRESENT WERE: The United States Representation:* Major General William S. Key, Colonel Dallas S. Townsend, Captain William F. Dietrich, USN. Colonel Emery E. Hyde, Lt. Colonel Lawrence R. Hagy and Major Edward J. Czerniuk.

<sup>169</sup> A.D.F. Gascoigne, the British Political Representative

<sup>170</sup> PHL: Politikai történelmi Intézet Levéltára (Archives of the Institute of Political History)

*The British Representation:* Major General O. P. Edgcumbe, CBE, MC, Air Commodore J. H. Simpson, Commander E. H. C. Branson, Lt. Colonel J. B. Pemberton, Lt. Colonel P. C. Capron, Major A. Englehardt, Mr. S. V. Chambers and Mr. J. B. Stewart.

*The Soviet Representation:* Marshal K. E. Voroshilov, Lt. General V. P. Sviridov, Rear Admiral Trainin, Major General Levushkin, Major General Cherbakov, Major General Belianov, Major General Kondratov and Colonel Ostrovsky.

The discussion, which followed, as noted by the Secretary, is substantially as follows, subject to any discrepancies in translation from the Russian.

## AGENDA

### TENTH MEETING - 15 November 1945

1. Information of the Military Division of ACC regarding the Hungarian Military Forces and military apparatus.

(Chief of the Military Division ACC, Major General Kondratov).

2. Note from the Hungarian Government raising the question - is the Hungarian Government bound, in conformity with Article XIV of the Armistice, to surrender war criminals of Hungarian citizenship, or is it possible to try them in Hungary if an agreement is concluded with Czechoslovakia, Yugoslavia and Romania on this question.

3. Note from the Hungarian Ministry of Foreign Affairs with the request for permission for sport flights of airplanes and gliders of the Hungarian aviation.

4. Regarding the establishment of financial relations between Great Britain and Hungary.

5. Regarding clearances for entry into and departure from Hungary.

6. Miscellaneous:

a. Regarding the official French Representative, M. Giraud. (Information of the Chairman of the ACC Marshal Voroshilov.)

b. Regarding the surplus of foodstuff in Hungary to be sent to Austria.

c. Regarding the printed declarations of the English representative.

d. Regarding the prohibition of business connections with firms who had collaborated with the Germans in the neutral countries.

*MARSHAL:* Now we will start the conference. Are there any objections to the items on the Agenda or any additional subjects to be added?

*GENERAL KEY:* I would like to ask if there is any further information or complaints concerning the deportation of Hungarians from Czechoslovakia since we last discussed the matter.

*MARSHAL:* I have received no further complaints or information concerning this matter since our last meeting.

*GENERAL EDGCUMBE:* Is there any information from the Hungarian Government concerning the preparations for deportation of Schwabians to Germany? They were supposed to furnish some data by November 1st.

*MARSHAL:* I am very sorry, I haven't received any information from the Hungarian Government nor from the Allied Control Council in Germany concerning the deportation of Schwabians from Hungary.

*MARSHAL:* We will now proceed according to the Agenda. General Kondratov will talk about the data for the reduction of the Hungarian Army. Before he begins I want to state that Generals Key and Edgcumbe informed me that orders had been issued by the ACC reducing the Hungarian Army<sup>171</sup> and I said that it was only a proposal but I have learned that an order was issued so the instructions were withdrawn as the matter must be discussed here.

*GENERAL KONDRATOV:* A lengthy report of a statistical nature was read, the substance of which was that the Hungarian Army would be reduced to an aggregate strength of 24,776 officers and enlisted men and 1,500 civilians; the figures represent a net reduction of 24 per cent.

*MARSHAL:* Prime Minister Miklós protested against the reduction as not being authorized in the Armistice terms, however, he is wrong because Article I of the Armistice Agreement provides for the demobilization of the Hungarian Army. The reduced Army will be a less drain on the budget of the Hungarian Government and the released soldiers can be employed in agriculture and industry. You have heard the proposals of General Kondratov. I would like to hear your opinion.

*GENERAL KEY:* As I said before, I am heartily in accord with the movement to reduce the size of the Hungarian Army, but I suggest that the U. S. and British deputies meet with General Kondratov and go over the figures which it is difficult to remember from hearing his report read.

*MARSHAL:* I do not see any necessity for such a meeting as we can decide now.

*GENERAL KEY:* I feel that we will agree on the recommendations but before definitely doing so I would like to study the figures and learn just how the reductions in the various groups were arrived at.

*MARSHAL:* I consider further study of the proposals would be "red tape and bungling."

*GENERAL KEY:* Marshal, do not you have some red tape in your army?

*MARSHAL:* I do not agree on additional time for these discussions. The Hungarian Government was supposed to organize eight divisions to participate in the war against Germany but only organized two. Hungary would be better off to reduce the Army and lighten the burden on the treasury as well as returning those to be dismissed to production employment.

*GENERAL KEY:* I fully agree in principle, but I cannot vote affirmatively if I do not have an opportunity to study the proposals and satisfy myself that they are fair and proper, otherwise I will have to inform my Government and await instructions from it.

*GENERAL EDGCUMBE:* I know my Government is interested in the reduction, as whatever change is made will be incorporated in the Peace Treaty. I have to get the figures to my Government and wish I could get them tonight in writing as my Government wants to have them within a week.

*GENERAL KEY:* I think the written reports can take the place of a conference, just so we can study them for a few days. The Marshal does not consider this matter of much importance but it is likely that the strength which we agree upon now will be used at the Peace Treaty as a basis for the peacetime army of Hungary.

<sup>171</sup> See footnote 168.

*MARSHAL*: During the war when the Armistice was signed and the Hungarian Government was supposed to furnish eight divisions, no one was interested that they only supplied two. But at this small reduction now intended by the figures of General Kondratov, we could fulfill this without any agreement.

*GENERAL EDGCUMBE*: The actual reduction may not be of any great importance, but is a matter of interest to the Governments since it may affect the size of the Hungarian Army to be allowed by the Peace Treaty. It is a matter of principle and I must consult my Government as it is my duty to do so.

*MARSHAL*: This is not a principle matter to discuss very much. I do not feel that the type of the Army covered by these proposals is final. It does not effect the type of Army to be arranged for by the Peace Treaty. If you insist that the matter is so important, I will take this matter off the Agenda.

*GENERAL KEY*: I would like to know if taking it off the Agenda will leave the Hungarian Army in status quo. I agree with the Marshal in principle but cannot take favorable action without a study of the figures.

*MARSHAL*: We are going to reduce the Hungarian Army as we consider necessary. Let us now go on to the next question on the Agenda.

*GENERAL KEY*: I would like to state that this matter should rightfully be decided by the three nations represented in this group. I protest action by one member of the group without the concurrence of the others.

*MARSHAL*: We decided the matter.

*GENERAL KEY*: So the Marshal will go ahead with the reduction?

*MARSHAL*: Those steps were investigated and you do not trust the figures.

*GENERAL KEY*: That is not so, I trust the Marshal but I haven't the figures and haven't had a chance to check them.

*MARSHAL*: We will send the figures to you after action is taken.

*GENERAL KEY*: Inasmuch as we are to get the figures, it is too bad that we cannot have time to study them to see whether we agree before action is taken.

*MARSHAL*: If you agree or disagree later with the figures, you may so inform me.

*GENERAL KEY*: Before you take action on the reduction?

*MARSHAL*: The reduction will take some time, but the orders for the reduction will be given immediately.

*GENERAL EDGCUMBE*: Then the Marshal is going ahead with the reduction as a matter of little importance and whatever may be found unsatisfactory may or may not be changed?

*MARSHAL*: You are right.

*MARSHAL*: Relative to the inquiry of the Hungarian Government on Paragraph 14 of the Armistice, it seems advisable to me to send the letter to the members to study and take up this question in the next conference.

*GENERAL KEY and GENERAL EDGCUMBE*: That will be well.

*MARSHAL*: Let us discuss this question now. The matter is not important. The Foreign Minister asked permission to fly not only gliders but also sport planes. It has been requested only to fly from two locations around Budapest. It is necessary to check that all motors on all sport planes are to be removed.

*GENERAL EDGCUMBE*: I agree with the Marshal if engineless planes, only gliders, are permitted and to be flown from two fields near Budapest.

*GENERAL KEY*: I object to the maintenance of any glider or sport planes as that is helping to build up an air force. It is a luxury, not a sport, and with people hungry and in need of necessities of life I feel that this luxury should be discontinued.

*MARSHAL*: Do you agree with General Key? (Addressed to General Edgcumbe).

*GENERAL EDGCUMBE*: I agree.

*COLONEL OSTROVSKY*: I agree with General Key. But, we have to consider another matter. Hungary will need flyers of civilian transport planes after the peace and this gives them some training.

*AIR COM. SIMPSON*: I do not know that Hungary will be allowed any civilian aviation. I agree with General Key that all these glider clubs should be closed.

*MARSHAL*: All right, we will forbid any gliding or flying.

*GENERAL EDGCUMBE*: In order that trade representatives, press correspondents, etc., may have established means of handling financial matters of a small nature, I propose a meeting should be held by my financial officer, the Minister of Finance and the President of the Hungarian National Bank, and any officer assigned by the Marshal, to discuss small matters of finance to handle the needs of such persons.

*MARSHAL*: I will take this question off the Agenda and discuss this in private conference with General Edgcumbe.

*GENERAL KEY*: I want to clear up matters of clearances, especially on regular members of my Mission who get ordered away and for their replacements. I would like to have a requirement of only 24 hours to request clearances instead of having it drag out sometimes to two weeks.

*MARSHAL*: General Levushkin says you have to allow three days only. Our apparatus is not such that quick decisions can be made and the three days are necessary, but sometimes it will be done in less time.

*GENERAL EDGCUMBE*: I have been refused the entry of certain British subjects, one a Red Cross Representative, and I do not know of any reason. He was bringing medical supplies to the British Colony. Others are British soldiers with parents, sisters or brothers here in Hungary they haven't seen for a long time. I look personally into each application and do not approve any but worthy requests. I would like to know the reasons when any request is refused.

*GENERAL KEY*: I concur in General Edgcumbe's request.

*MARSHAL*: Probably sometimes requests have been misinterpreted. For some cases where persons want to see their parents and to travel, it is not always desirable to have people traveling around.

*GENERAL EDGCUMBE*: I understand the point of view, but there were some eight cases that were of compassionate nature and I gave good time and thought to them before asking for clearances. I could have the men come in as part of my Mission, but I do not want to do that, I want to be honest about them.

*MARSHAL*: If there were only eight cases refused, the Marshal sees no reason to discuss this.

*GENERAL EDGCUMBE*: It is a question of principle, not numbers. After my having made the request after careful personal consideration, I can not see why I have refusals without any reasons.

**MARSHAL:** Is it your opinion that permission must be given every time? Sometimes it is impossible to give permission. If I were in your place I would feel the same.

**GENERAL EDGCUMBE:** In the matter of press correspondents, some have homes in Vienna. Cannot a document be given them to pass them freely from and to Vienna instead of getting them clearances each time? Say a document for three months?

**MARSHAL:** Present order on correspondents is a very good one. We can help make them the most troublesome people in the world. Every country has its borders. We can not permit correspondents to travel back and forth between countries, etc., etc.

**GENERAL KEY:** About the clearance of airplanes, can not we reduce the time needed? It would be most helpful if we could get clearances the next day, or within two or three days at most.

**COLONEL OSTROVSKY:** That procedure we now have. Almost always you ask permission three days before the flight. It also takes time to ask permission from our people and to ask Army defense authorities about the flight. Four days are needed and usually one week.

**GENERAL KEY:** There has been an unusual delay since October 30th. Only one has been cleared since then, and one for next Saturday.

**MARSHAL:** How many requests were made?

**GENERAL KEY:** Six or eight.

**MARSHAL:** Possibly you mean five?

**GENERAL KEY:** No, six or eight, as we have been trying to get our supplies in from Italy before bad weather.

**GENERAL LEVUSHKIN:** I remember a case that five planes were requested and the next day five more and they were mistaken as the same request.

**GENERAL KEY:** I will have my Colonel go over the requests with Colonel Ostrovsky to see where mistakes were made.

**MARSHAL:** Regarding M. Giraud, he is now the Representative of General De Gaulle's Government. When there was an inquiry about his status several months ago I could not tell anything concerning him.

**GENERAL EDGCUMBE:** Matter raised previously. Reply of Hungarian Government states no possibility of surplus food at present for Austria. The next question was regarding surplus food for next year. I will bring this up in a month or so when the Hungarian Government can better tell about this.

**MARSHAL:** 60 per cent sowing grain is now completed: near future planting not good. There is little prospect for increased grain yield for next year.

**MARSHAL:** Showing a placard, the Marshal asked General Edgcumbe about its issue.

**GENERAL EDGCUMBE:** It is an unimportant matter. I gave permission that these placards could be used for protection of British property. It was not done for the ACC. They were issued several months ago. They have no more importance than by putting the Union Jack on my door. It merely states a fact that the property is British.

**MARSHAL:** It is considered an important question. On this placard it is written that this property is registered with the ACC and the Provisional Hungarian Government. Because of the reason that diplomatic and consular relations between Great Britain and Hungary do not exist as yet, it appears on these placards. There are many enterprises with mixed ownership and since the Potsdam Conference all German

property goes to the USSR, therefore, the presence of such a sign by the USSR is not required and should not be any more so by your country.

**GENERAL EDGCUMBE:** I understand the objection of the Marshal, but I cannot understand where property definitely known to be British and the placards not issued in the name of the ACC it can be a matter of importance. It merely states the fact that the property has been registered with the ACC and the Hungarian Government and not that it was issued by the ACC.

**MARSHAL:** Perhaps I should read the letter sent by the Marshal to the Hungarian Government on this matter. (Read by interpreter).

**GENERAL KEY:** I want to let you know that my Government indicates favorable consideration will be given to the request for the return of the barges and cranes needed for removal of the bridge debris from the Danube. We sent a letter to the Marshal asking that three Army Engineer officers be permitted to come here to view the work and determine priority. I understand none of these craft can come downstream until the passage through the Tullon Bridge wreckage is cleared.

**ADMIRAL TRAININ:** The passage will soon be cleared.

The conference ended at 17.50.

711.9 Allied Control Commission, Record Group 84, Budapest Legation File, NA, Washington, D.C.

## 15.

*Conference of 28 November 1945*

Notes of an ACC meeting of 28 November 1945 on the deportation of Schwabians, the Hungarian economic situation and war criminals, prepared by the British Military Mission

British Military Mission to Hungary

*Notes of an ACC Meeting between the Chairman, Marshal Voroshilov and Major General Key, U. S. and Major General Edgcumbe, British Mission on the 28th November 1945*

Present:

USSR:	Marshal K. E. Voroshilov
	Maj. Gen. Levushkin
	Maj. Gen. Cherbakov
	Col. Cherkasov
U. S.:	Maj. Gen. Key
	Maj. Czerniuk
U. K.:	Maj. Gen. O. P. Edgcumbe
	Lt. Col. Capron

1. This meeting takes the place of a full meeting of the ACC arranged for 30th November and it was agreed between the Chairman and the American and British

Representatives that small meetings of this kind would in future be held as often as possible in preference to full meetings where all the staff of the ACC are present.

## 2. Schwabians

(a) The Marshal said that he had received a project from the ACC Germany regarding the movement of Schwabians from Hungary and other countries into Germany. A copy of the document will be sent to the U. S. and British Missions.

The gist of the project as regards Hungary is that there may be up to 500,000 Schwabians to be moved from Hungary and they would all go to the American Zone. Depending on transportation and other arrangements and the weather etc., it is proposed to commence the movement in December, the following percentages of the above number being moved each month:

December	1945:	10%
January	1946:	5%
February	1946:	5%
March	1946:	15%
April	1946:	15%
May	1946:	20%
June	1946:	20%
July	1946:	10%

The Chairman said that he had received some information from the Hungarian Government regarding detailed categories of Schwabians to be moved, and it appeared that final numbers were more likely to be 350,000.<sup>172</sup> Full details will be sent to the U. S. and British Missions. He pointed out, that instructions must be given to the Hungarian Government as soon as possible if movement is to start in December and stressed that the ACC is responsible for seeing that the movements are arranged in a humane and orderly manner.

General Key and General Edgcumbe had no particular points to raise at this stage and the Chairman said that he would have draft instructions to the Hungarian Government prepared for early discussion by the ACC.

(b) General Edgcumbe raised the question of Schwabians either being moved at the present time, or else moving in a clandestine manner themselves from Hungary into Austria. He said that HMG had been informed by the ACC Austria from neighbouring countries and that this was causing difficulties to the economic situation.

The Chairman agreed to investigate this matter. Gen. Edgcumbe pointed out that this is a point which must be watched in the instructions as regards the organized

<sup>172</sup> The Hungarian plan, according to General Key's report on this meeting, revealed that 303,419 persons were to be deported (maximum 350,000); there were 60,562 children under twelve years of age and 37,091 persons over sixty years of age; total males 147,572; females 155,847. Box 55. Record Group 338, ACC Hungary; NA, Washington, D.C. General Key reported in 1946 that approx. 126,000 Schwabians had been expelled from Hungary from January to June 1946. The Commanding General's narrative report of operations, *ibid.* Appendix 123. The final number of expelled Germans amounted to approx. 140,000-170,000 from January to December 1946. In addition, approx. 50,000 Germans were deported to the Soviet zone of occupation in 1947. See also, Tóth Ágnes, *ibid.*

movement of Schwabians into Germany, as it is possible that a number of Schwabians would prefer to go to Austria and may attempt to go there under their own arrangements instead of going to Germany. This point was noted.

Gen. Edgcumbe said that he would write a note to the Chairman regarding the above.

## 1. Telephone and Telegraph communication - Vienna

Gen. Edgcumbe raised this point and Chairman promised to investigate the possibility with Marshal Koniev.

## 2. Appeal by the Archbishop of Hungary<sup>173</sup> for early return of Hungarian Prisoners of War

After a short discussion it was agreed that all necessary steps were being taken to return Prisoners of War in the normal course and that this appeal needed no special action.

The Chairman said that all soldiers and NCO's<sup>174</sup> had been returned from Russia and that only officers were not retained as P. W. The Chairman also said that in his opinion, members of the Church ought not to interfere in matters outside their province, and referred to a recent pastoral letter issued by the Archbishop, which definitely had a political flavour. Both General Key and General Edgcumbe agreed that members of the Church ought not to interfere in political matters.

## 3. Hungarian property in British Zone, Austria

General Edgcumbe informed the meeting that at the present time it is not the policy of HMG to return Hungarian property nor to permit any Hungarian Mission to go and look for such property. The Chairman commented that he considered this a very correct ruling.

## 4. Inflation of the Pengő

General Edgcumbe raised the question of inflation of the Pengő pointing out that it was likely to affect the whole economic position of Hungary, in which the ACC was interested both generally and from the point of view of reparations and the proper return of United Nations property etc.

The Chairman said that he was watching this matter and that disaster would certainly come if some drastic steps were not taken. He said that the Government were preparing a programme and a plan to stop inflation and that it was hoped to discuss the matter at the meeting of the National Assembly on the 29th of November. The Prime Minister<sup>175</sup> has informed him that it was intended to take drastic steps.

<sup>173</sup> Mindszenty, József (1892-1975). Prince Primate of Hungary, Archbishop of Esztergom. He was sentenced to life imprisonment in 1949 and was set free in the 1956 Revolution. Between 1956 and 1971 he sought refuge at the U.S. Embassy in Budapest. In 1971 he was finally allowed to leave the country by the Hungarian authorities and settled down in Vienna. As regards his political activity see, Cardinal-József Mindszenty, *Memoirs*, Macmillan Publishing Co., New York, 1974.

<sup>174</sup> Non-commissioned officer.

<sup>175</sup> Zoltán Tildy

The Chairman further said that in this connection it is interesting to note that before the war one half milliard Pengő were circulating, whereas now, 250 milliard Pengős are in circulation, and this was rapidly increasing each day. General Edgcumbe suggested a discussion on this matter as soon as the Hungarian Government plan is known, and General Key supported this. The Chairman agreed, stressing again that the Hungarian Government would have to take very serious steps.

(Note: During this discussion, the Chairman made no reference whatever to any outside help being required by Hungary.)

#### 5. Shortage of fuel

General Key raised this point and said that he noted a very large number of street lamps burning, etc. and no apparent control or attempted economy, whilst there was a definite shortage of fuel for heating and cooking. The Chairman agreed and promised to have this matter investigated with a view to giving some instructions from the ACC to the Hungarian Govt.

In connection with the above, the Chairman pointed out that coal production had fallen owing to the inflation of the Pengő, as the miners' wages would not buy the necessities of life, so the men were not prepared to work properly.

#### 6. Article 14. of the Armistice Conditions regarding persons accused of War Crimes

The Hungarian Government have raised the question of the introduction of Article 14 saying that they thought it was not clear and pointed out that according to the Hungarian Penal Laws, persons could not be handed over to foreign countries. General Edgcumbe said that in his opinion the article was quite clear and that the Hungarian Government had no option other than to hand over any persons demanded by the ACC on behalf of their respective Governments. He pointed out that the Armistice Conditions, of course, overrode any Hungarian laws. The Chairman and General Key agreed and the Chairman said that he would have a reply to the Hungarian Government drafted for the next meeting<sup>176</sup>.

9. At the conclusion of the meeting photographs were taken of the Chairman and the Heads of the U. S. and British Representations by an American Press correspondent. It is interesting that this is the first occasion when the Chairman has permitted such a thing to be done.

O. P. Edgcumbe

Maj. Gen.  
Commissioner

PRO FO 371/58965

<sup>176</sup> See document 16.

## 16.

Conference of 10 December 1945

Notes of an ACC meeting on the deportation of Schwabians, restitution of British property and the case of former Prime Minister, László Bárdossy, prepared by the British Military Mission, dated 10, December, 1945

British Military Mission to Hungary

NOTES of an ACC Meeting  
held on 10 December 1945

Present:

USSR:	Marshal K. E. Voroshilov Lt. Gen. Sviridov Maj. Gen. Cherbakov Col. Cherkasov
U. S.:	Maj. Gen. W. S. Key Maj. Czerniuk
U. K.:	Maj. Gen. O. P. Edgcumbe Lt. Col. Capron

#### I. Schwabians - Move to U. S. Zone, Germany

(a) A project for the movement of Schwabians to Germany as planned by the Hungarian Government, (a copy of which had been sent by the Chairman to the British and U. S. Representatives previous to the meeting), was discussed.

General Edgcumbe pointed out the obvious difficulties to arrange for the moves in an "orderly and humane" manner, during the winter and having regard to the present economic situation in Hungary.

(b) General Key said that he had just received some detailed instructions, copies of which he would send to the Chairman and General Edgcumbe. He said that the main points of these instructions were as follows:

(I) the exact numbers of persons to be moved be given beforehand,

(II) that a previous medical examination should be carried out to ensure that persons were not sent suffering from contagious diseases,

(III) that, if possible, any tradesmen suitable for doing building and such work, be included in the first parties of Schwabians to move, in order to assist with preparation of accommodation on arrival.

(a) The Chairman agreed that everything should be done as regards the above points but said it would not be possible to collect tradesmen as suggested because the Hungarian plan was to dispatch Schwabians from areas which were all chiefly agricultural. He pointed out that the Hungarian Government were not experienced or well organized and that it is going to be difficult to get accurate figures and classifications of Schwabians.

(b) The Chairman said that he had personally gone into the matter of transport and had given instructions for a more detailed plan than already submitted, to be prepared by the Hungarian Government. He hoped that some 30,000 might be moved this month and he pointed out the advantage of getting the move done as quickly as possible in order that the Schwabians might be settled on their new land by the spring. He said that he would send copies of the detailed transportation plan to Gen. Key and Gen. Edgcumbe as soon as possible.

(c) The question of baggage and belongings, proposed by the Hungarian Government to be limited to 50 kgs per head were discussed. The Chairman considered this amount too small, and both Gen. Key and Gen. Edgcumbe agreed. Some considerable discussion took place regarding this and regarding what would happen to the belongings of Schwabians, which they were forced to leave behind. Neither the Chairman, General Edgcumbe or General Key had any instructions from their Governments about this, and they had no precedent to which they could refer. It was eventually agreed that the amount of baggage and belongings should be raised to 100 kgs per person, man, woman and child, excluding food for their journey, and that the choice of goods taken would rest entirely with the individuals concerned, but that no livestock could be taken<sup>177</sup>. As regards belongings and property left behind; from the practical point of view, it was agreed that the Hungarian Government would take this over without any compensation, as, even belongings could be sold previous to the move, or if any compensation were to be paid, the Pengős resulting therefrom would be no use in Germany.

(d) The Chairman proposed to issue instructions that the first train should move by the 15th December and that at first one train-load per day should be sent, (about 40 wagons and 1,000 persons) and that later, if possible, this should be increased to two trains a day. General Key doubted whether the move could start as early as 15th December. The Chairman said that if the Hungarian Government were not given some order to make them start the move early, there might be considerable delay. It was therefore agreed to fix the date at 15th December<sup>178</sup>.

(e) General Key agreed to signal immediately to the U. S. Zone, Germany to ascertain the destination for the first trains.

(f) The Chairman suggested the appointment of an inspector from each of the Soviet, American and British representations to the ACC, who would go round and inspect the concentration areas and trains, in order to ensure

<sup>177</sup> Eventually the Hungarian Government raised the baggage allowance to 100 kilograms of furniture and household supplies per person, but did not provide the deportees with German Reichmarks. The Commanding General's narrative report of operations, United States Military Representation on the Allied Control Commission for Hungary, Department of the Army, The Center of Military History 8-3.3 BA, Appendix 123.

<sup>178</sup> Although the US zone of occupation in Germany was ready to receive Schwabians by 5th December 1945 and Hungarian Government prepared several trains to transport Germans, the final decision on the destination of trains was received by 7 January 1946. The first train transporting Schwabians left for Germany on 19th January 1946. Commanding General's narrative report of operations, *ibid.*, Appendix 123.

that as far as possible, all arrangements made by the Hungarian Government are as "orderly and humane" as possible. Both General Key and General Edgcumbe agreed. The Chairman pointed out that the word "humane" could only be considered relatively, having regard to the difficulties of the whole move.

(g) General Key referred to the draft decrees, which the Hungarian Government proposed to issue, and pointed out that it would take some time to get them issued.

(h) General Edgcumbe referred to the question of re-settlement of Hungarians in the areas vacated by Schwabians, and asked whether the Marshal had discussed the proposals made by the Hungarian Government regarding re-settlement in their project. The Chairman said that there might be a considerable number of Hungarians to come into Hungary from Czechoslovakia and that the question of re-settlement had not yet been discussed by him with the Hungarian Government.

### 1. Article 13 Armistice Terms - Restitution of British Property

The Chairman said that he agreed with General Edgcumbe that the new Hungarian Government<sup>179</sup> should be given instructions as regards their responsibility to the United Nations for the return of property in good order under Article 13. General Edgcumbe handed the Chairman a letter and a memorandum on this subject, which the Chairman promised to take into consideration when issuing his instructions to the Hungarian Government<sup>180</sup>. General Edgcumbe said that he should send a copy of his letter and memorandum to General Key.

### 2. Inflation of the Pengő and the economic situation

(a) The Chairman said that he had nothing definite to state about this, but that he had been assured that a number of orders were being issued by the new Government which it was hoped would help the situation. He said that he could give no details of these orders as they were being kept very secret, even from him.

(b) The Chairman stated that he had refused a request by the Hungarian Minister of Finance to frank existing stocks of 10,000 Pengő notes to 100,000, as he, the Chairman, considered such measure as quite useless.

(c) General Edgcumbe pointed out the situation existing whereby there appeared to be large quantities of luxury goods available whilst the necessities of life are getting almost unobtainable for the majority of Hungarians. The Chairman said that he would inform General Key and General Edgcumbe as soon as he had any further information.

<sup>179</sup> The new coalition government of Zoltán Tildy was formed on 15 November 1945.

<sup>180</sup> In his Memorandum dated 10 December 1945, O. P. Edgcumbe pointed out that the Hungarian Government could not be expected to return British property in complete good order because of the country's economic situation. On the other hand, he added, the Hungarian Government had not shown the proper spirit and intention in fulfilling Article 13, no attempt had been made to safeguard the rights of British property owners during the land reform, some British property had been marked by the Government as "abandoned property", directors had been arbitrarily appointed by the Hungarians to the board of British concerns, no attempt had been made to prevent deterioration of British living accommodations, etc. PRO FO 37158065.

1. *The case of Bárdossy*<sup>181</sup>

General Key confirmed that the American Government had said that there was no need to delay execution of the sentence. The Chairman asked whether there was any reason for the ACC to interfere, and both General Key and General Edgcumbe said that they knew of no reason.

2. *E. C. I. T. O. (European Central Inland Transport Organisation)*

General Edgcumbe referred to correspondence from E. C. I. T. O. London being sent to him when it was evidently intended for the Chairman. The Chairman requested General Edgcumbe to inform London that correspondence on this subject for him should be sent via Moscow.

3. At the conclusion of the meeting, Marshal Voroshilov invited General Key and General Edgcumbe to attend, with members of both military and political missions, at a presentation of a coloured film at the Russian Officers Club at 7 o'clock on Wednesday 12th December (120 Andrassy út).

O. P. Edgcumbe  
Maj. Gen.  
Commissioner

PRO FO 371158965

17.

*Conference of 28 December 1945*

Minutes of a formal meeting of the ACC where matters concerning the economic and financial situation of Hungary, UNRRA relief, Hungarian war criminals, etc., were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

Regular Meeting ACC Hungary, 28 December 1945

*Notes*

The regular meeting of the Allied Control Commission for Hungary was held at 15.00 hours of 28 December 1945 in the conference room of the Headquarters of the Soviet Union, ACC for Hungary, in Bajza utca near Andrassy út, Budapest, Hungary.

Lieutenant General Sviridov, Deputy Chairman, presided in the absence, due to illness, of Marshal Voroshilov.

Present were Major General William S. Key, representing the United States Government; Major General O. P. Edgcumbe, CBE, MC, representing the

British Government; and Lieutenant General V. P. Sviridov, representing the Russian Government; and their respective staffs.

AGENDA

Regular Meeting – 28 December 1945

1. Concerning the transfer to the Yugoslav authorities of Major General Grassy József and Captain Zöldi Márton, who are now in Hungary and who were accused by the Commission of Allied Nations in London of being war criminals because of the atrocities they committed in the cities of Novisad, Zabalj, Csurog<sup>182</sup>, and other settlements in Yugoslavia; the purpose of the transfer is that they should be tried in Yugoslavia. (Letter of Colonel [Obrad] Cicmil, Chief of the Yugoslav Delegation on the Allied Control Commission for Hungary.)<sup>183</sup>

2. The economic and financial situation of Hungary. (Question raised by the United States Representation.)

3. Report about the eviction of the Schwabians from Hungary. (Question raised by the United States and United Kingdom of Great Britain Representations.)

4. Inventory of the railroad rolling stock. (Question of the United States Representation.)

Following additional subjects proposed by United States Representative and accepted for discussion by the other Representatives at the opening of the conference:

5. Emergency relief for Hungary by United Nations Relief and Rehabilitation Administration, either by invitation of the Allied Control Commission or by request of the Hungarian Government with approval of the Allied Control Commission.

6. Status of trial of Hungarian war criminals delivered by United States authorities to Hungarian Government for trial.

7. That the Hungarian Government be directed to prepare and submit detailed statement of expenses of the Allied Control Commission for the period ending 31 December and subsequent statements at the end of each calendar month.

Following additional subject proposed by British Representative and accepted for discussion:

8. The subject of transfer of German owned property to the Soviet Government in accordance with the Potsdam Agreement.

*CHAIRMAN:* Gentlemen, let us proceed with the conference; we will take up the items on the Agenda.

<sup>182</sup> Towns in present-day Serbia called Újvidék, Zsabyia and Csurog in Hungarian.

<sup>183</sup> In January 1942 the Hungarian military authorities decided to "smoke out" the remaining Yugoslav partisans in the formerly Hungarian-ruled and now re-occupied territory of Yugoslavia called Dévidék. During this one-month mopping-up operation, the Hungarian combined gendarmerie-military units massacred Serbs and Jews. In January 1945 Serbs, Jews and Russians were slaughtered in Zsabyia, Csurog, Újvidék, Boldogasszony, Gyurgyevo, Mosovin, Sakásgyöngye, Titel, Óbecse and Szenttamás. In accordance with Article 14 of the Armistice, after the hostilities had ended, Hungary extradited József Grassy, Márton Zöldi, Ferenc Feketealmi-Czeydner and Ferenc Szombathelyi the Yugoslav authorities for trial. All of them were found guilty of the in the abovementioned massacres and sentenced to death. Feketealmi-Czeydner, Grassy and Zöldi were hanged and the others were shot in November 1945. MOL XIX-J-1-k 1946-50/Pol. 70. d. See also, Randolph L. Brahm, *The Politics of Genocide. The Holocaust in Hungary*, New York, 1981, pp. 207-215, 1169-1170.

<sup>181</sup> Bárdossy, László (1890-1946) Minister of Foreign Affairs in 1941 when Hungary declared war on the Soviet Union. Prime Minister 1941-1942, he was sentenced to death as war criminal and executed in 1946. See also, Pál Pritz, *Bárdossy László a népbíróág előtt*, Budapest, 1991 and Dr. László Jaszovszky, *Bűnös volt-e Bárdossy László?*, Budapest, 1996.



*GENERAL KEY:* I desire to add two subjects that have arisen since the Agenda was prepared.

*GENERAL EDGCUMBE:* I also have an additional subject which I would like added to the Agenda.

*CHAIRMAN:* We will proceed with the Agenda as prepared, but if time permits we will discuss the additional subjects when we have finished with the present Agenda.

### ITEM 1.

*CHAIRMAN:* I have here a letter from Colonel Cicmil, Chairman of the Yugoslav Mission, requesting the custody of two Hungarian officers, Major General Grassy J., and Captain Zöldi M., for trial by the Hungarian Government as war criminals in connection with certain atrocities committed by the Hungarian Forces on Yugoslav territory. I am informed that the Hungarian Government plans to try them here first then turn them over to the Yugoslav Government. What do you gentlemen say about that?

*GENERAL KEY:* You can not try them twice for the same offence, and according to this letter Yugoslavs want to try them for certain acts committed in Yugoslavia, therefore, I suggest that they be turned over to the Yugoslavs as requested, inasmuch as the Armistice Agreement specifically authorizes such action.

*GENERAL EDGCUMBE:* My feeling is that war criminals should be tried in the countries where they committed illegal acts and not to be tried in their own countries. It is my opinion these here war criminals should be turned over to Yugoslavia and that the ACC notify the Hungarian Government to turn them over promptly.

*CHAIRMAN:* First, it is my understanding that these war criminals are considered by you both as properly due to be turned over to the Yugoslavs and not to be first tried here. Second, it is necessary for us to direct the Hungarian Government, under the terms of the Armistice Agreement, to comply with the Yugoslav request.

*GENERAL KEY:* At this point I want to take up a matter also dealing with war criminals. The U. S. Army has turned over to the Hungarian Government 228 war criminals and it has 275 more under arrest in the West awaiting transportation here. Up to date very few have been tried, probably half a dozen. I would like to suggest the ACC inquire of the Hungarian Government why they are so slow in trying those delivered to them and what steps are being taken to expedite the trials.

*CHAIRMAN:* You complain that your Government sent the war criminals to the Hungarian Government and that the trials are not going fast enough?

*GENERAL KEY:* No, my Government has not criticized the Hungarian Government, but I am not satisfied that they are trying these 228 war criminals as fast as they could and feel the ACC should so state to the Hungarian Government and ask what steps are being taken to expedite the trials.

*GENERAL EDGCUMBE:* I agree the ACC should call for the report.

*CHAIRMAN:* A letter will be sent to the Hungarian Government for a report on this matter while pointing out the apparent slowness of trying the war criminals.

*GENERAL KEY:* I have received a letter from the Hungarian Minister of Justice, addressed to the ACC, requesting that the agreement made by the Hungarian Government not to carry out death sentences of war criminals until it is certain they will not be required as witnesses at the International trials at Nuremberg be rescinded.

This agreement was between my Government and the Hungarian Government, and the only request for a waiver to permit the execution of Bárdossy was granted on November 30th, but he has not yet been executed<sup>184</sup>. I will prepare the reply to this letter and send it through the ACC to the Hungarian Government.

*CHAIRMAN:* From our side we are going to write a letter to the Hungarian Government, calling their attention to the delay in trial and execution of these criminals.

### ITEM 2.

*GENERAL KEY:* I know that my Government and, I am sure, each of the two other Governments and their Representatives on the ACC, are very much interested in the physical welfare of the people of Hungary. We know about the inflation, how prices are rising to such heights that the ordinary people cannot purchase the most urgent necessities of life. I note from the press that Prime Minister Tildy<sup>185</sup> has stated "After four weeks of non-stop work, we have prepared a whole collection of measures aimed at improving the financial and economic situation of the country. We shall put these reforms into force with the utmost energy and speed." My Government would like to know what steps the Hungarian Government is taking or plans to take to improve the general economic condition and to prevent famine and distress which is predicted for the immediate future. I think we should request a prompt report of economic conditions and probably appoint a sub-committee of the ACC to make a preliminary survey of conditions and report to us.

*CHAIRMAN:* A sub-committee for the study of the economic situation of Hungary is not the function of the ACC, which is jointly our duty. If we create such a committee we shall have to stop all our duties as an ACC and will become something else. Hungary has its own new government<sup>186</sup> which is recognized by all three powers<sup>187</sup>. Let us give its report to our Governments, telling them about the situation here so that they can get together and work out some solution.

*GENERAL KEY:* The Chairman got ahead of me about the sub-committee. I do not propose that such a committee take up the matter alone but study the report of the Hungarian Government that the ACC requests it make. I recommend the ACC ask the Hungarian Government immediately to inform the ACC of any plans they have to cope with the dire situation, telling actually the situation as it exists. One hears that there will be hunger riots this winter by people growing desperate. Just what the Hungarian Government plans to undertake to improve conditions, particularly to relieve the food situation, is certainly of interest to each of our Governments, and if outside help is needed I feel sure it will be forthcoming.

*GENERAL EDGCUMBE:* My Government is also very much interested. Undoubtedly the condition is serious. I consider it our duty to inform our Governments

<sup>184</sup> He was executed on 16 January 1946.

<sup>185</sup> Tildy Zoltán (1889-1961), leader of the Independent Smallholders' Party, Prime Minister 1945-1946, President of Hungary 1946-1948.

<sup>186</sup> At the General Elections of 4 November 1945 the Independent Smallholders' Party won (57% of the total votes) and Zoltán Tildy formed a coalition government with the Communists, Social Democrats and the National Peasant Party.

<sup>187</sup> The Hungarian Government was recognized on 25 September 1945 by the Soviet Union, on 15 November 1945 by the United States and on 16 September 1947 by Great Britain.

thereof as completely in detail as is possible as to conditions and as to what the Hungarian Government is doing to overcome them. I strongly recommend calling on the Hungarian Government to give detailed plans so that our Governments may know the actual conditions. I would like to go further, suggesting we get this report quickly and that our economical advisers sit around the table with the Hungarian Government representatives to study the data and clarify points in doubt, as such data is highly technical.

*GENERAL KEY:* If the Hungarian Government fails to act quickly, then I think the ACC should itself make a study through a committee, for otherwise it will be a reflection on us if we do not take steps to report serious conditions to our Governments.

*CHAIRMAN:* Then your first proposal is to establish a committee?

*GENERAL KEY:* I do not press the matter of a committee, but if such is necessary to go into the situation then I think we should not lose time getting it under way.

*CHAIRMAN:* (Summarizing) The second proposal: Request the Hungarian Government to report as to the economic situation and their plans to improve it. Third proposal: After receiving the report we will decide in conference of ACC whether to appoint a committee or send the report direct to our Governments.

*GENERAL KEY:* I agree.

*GENERAL EDGCUMBE:* I concur.

### ITEM 3.

*CHAIRMAN:* The deportation of Schwabians has been delayed awaiting instructions from American authorities as to the destination of the trains. The Hungarian Government is pressing us in this matter and I wonder if General Key can give us the necessary information at this time.

*GENERAL KEY:* I wired the U. S. authorities in Germany requesting destinations for the first ten trains, movement to begin on or about 15 December. I have not yet received the information, but the Hungarian Government is not yet ready to start the movement and I would like to learn if the Chairman has any data on any change in place.

*CHAIRMAN:* The deportation of Schwabs was to be carried out by the plan of the Prime Minister of Hungary but it has not been started up to the present time as it is not known where the points of destination of these trains are to be, nor the matter of times of departure. Up to the present it is known definitely that they go to the American Zone in Germany, but not the locality where they are wanted. Some American representative should arrive here (General Key: he has arrived) to tell the details about this matter. Marshal Voroshilov tried to help the Hungarian Government about dates and destination points. He wired Marshal Zhukov in Berlin and our Government in Moscow, but he has no information as yet.

*GENERAL KEY:* I feel that in the next few days I will be able to furnish this information but I doubt that the Hungarian Government will be prepared to start shipments for several days yet. My representatives say that the Hungarian Government has made very little preparations for the movement.

*GENERAL EDGCUMBE:* The date was set for the middle of December but it does not appear the Hungarian Government is doing anything about preparations. I think we should ask the Hungarian Government what preparations they have made.

*CHAIRMAN:* I had a conversation with the Minister of Home Affairs (Nagy Imre<sup>188</sup>) and he stated that seven trains (3 Red Army, 4 Hungarian) are ready. Four others are being prepared. Any day now shipments can be made.

*GENERAL KEY:* I will bet you that it will be at least ten days before the Hungarians will be ready after we furnish them the destination and time of departure<sup>189</sup>.

### ITEM 4.

*GENERAL KEY:* I have received a letter outlining a program agreed upon by the representatives of all the various nations signatory to the European Central Inland Transport Organization. The object is to pool the rolling stock of railroads throughout western, central and Eastern Europe outside of USSR and UK. I request the ACC to direct the Hungarian Government to make an inventory of all railroad rolling stock in Hungary for the information of the ECITO. I wrote the Marshal about this matter yesterday.

*CHAIRMAN:* According to this program the census is to be started in all countries. It has been decided that such census be started at 10.00 today, 28 December, in all countries where the Red Army is, and, therefore, such census is going on today here in this country.

*GENERAL KEY:* I would like a copy of the census report for Hungary just as soon as received by the ACC.

*CHAIRMAN:* It probably will take ten days to compile this report and, when completed, it will be sent to you.

*CHAIRMAN:* This completes the items on our Agenda and if you think the newer items in mind can wait until the next meeting let us put them on the next Agenda, unless they are very urgent. What do you think?

*GENERAL KEY:* I would like to state briefly the subjects and let the Chairman determine if they are urgent, which I believe they are.

*CHAIRMAN:* Alright, proceed.

*GENERAL KEY:* I have a letter from my Government indicating that UNRRA might be induced to furnish medicines and emergency food to relieve the present serious situation here in Hungary if invited to do so by the ACC-Hungary or upon a request by the Hungarian Government with ACC approval. Up till now I do not know whether the Hungarian Government has made a formal request to UNRRA. I have heard, unofficially, of some conversations with the Marshal and with our diplomats here, but it appears to me that something should be started officially. I think that if the Marshal or General Sviridov would tell the Hungarian Government that we will approve a request to UNRRA for help it will be forthcoming. Or, if we as the ACC request UNRRA to render temporary assistance, I feel that it could be obtained.

*GENERAL EDGCUMBE:* I should say that if UNRRA help is available we of the ACC should agree that it is desirable and should take steps to receive it for Hungary.

<sup>188</sup> Nagy, Imre (1896-1958), Minister of Agriculture 1945, Minister of Home Affairs 1945-1946, Minister of Provisioning 1950-1952, Prime Minister between 1953 and 1955 and during the Revolution of 1956. He was executed in 1958 because of his activity during the 1956 Revolution.

<sup>189</sup> The first train was dispatched on 19 January 1946.

*GENERAL KEY:* I feel we should not lose time in requesting this aid in view of the great need existing here.

*CHAIRMAN:* Alright, we will ask the Hungarian Government to submit a request at once.

*ITEM 6.* (Discussed in connection with Item 1.)

*ITEM 7.*

*GENERAL KEY:* Still another item. I would like the ACC to direct the Hungarian Government to furnish a statement by months of the cost of each Government's Representation on the ACC from the beginning to December 31st, and thereafter to submit similar reports monthly. It should be broken down by items, such as food, quarters, fuel, cash, etc. I am convinced that they are charging too much against the ACC, including capital investments, repairs to buildings, and other improper charges. While it is true that our Governments will not have to pay it, I have a feeling that some future time huge sums will be attributed as the cost of these Missions and shown to have been a great burden to Hungary, whereas such is not actually the case.

*GENERAL EDGCUMBE:* I agree that it should be done as General Key stated.

*CHAIRMAN:* Alright, we will ask the Hungarian Government for itemized statements.

*ITEM 8.*

*GENERAL EDGCUMBE:* Now as to another item, according to a report in the Hungarian Press, a decree is to be issued shortly about the disposal of German property to the USSR as per Potsdam Agreement. My Government is interested in this matter as it may involve transfer of British interests thought to be German. I think the ACC should have an opportunity of seeing the decree and studying its effects on the interest of each of the Allies. I know the same question has arisen in Bulgaria and Romania and their ACC's agreed to go into matters very carefully to eliminate any misunderstanding as to ownership.

*CHAIRMAN:* Up to present the matter has not been decided. It is just in preparation through investigation. I will inform the Marshal that both Generals request the effect of the decree be studied by their economic groups to make sure that no mistakes are made.

*GENERAL KEY:* I request that not only this decree, but any other decrees issued by the Hungarian Government based on directives of Potsdam be submitted to the ACC Representatives for study before being officially issued. I wrote the Marshal yesterday stating my Government's position in this matter.

*CHAIRMAN:* Okay, it will be done.  
Conference adjourned at 17.00.

*Edward J. Czerniuk*  
Major, FA  
Interpreter-Recorder

711.9 Allied Control Commission, Record Group 84, Budapest Legation File. NA, Washington, D.C.

18.

*Conference of 7 January 1946*

Notes of an ACC meeting concerning the Szabad Nép article, the settlement of Ukrainians in Hungary, etc., prepared by the British Military Mission, dated January 7, 1946

*Notes of a meeting of Deputy Chairman*

ACC,

Lt. Gen. Sviridov with Major Generals  
Key and Edgcumbe - Jan. 7, 1946.

### *1. Newspaper Criticism of ACC*

Generals Key and Edgcumbe referred to an Article in SZABAD NÉP of Jan 6, 1946 in which the U. S. and British Missions are criticized<sup>190</sup>. They handed in letters to the Chairman of the ACC, protesting strongly against the breach of Article 15, Armistice Terms. The Deputy Chairman agreed to take immediate action to demand and apology from the Hungarian Government and to prevent a recurrence. Both Generals Edgcumbe and Key said they considered the paper ought to be suspended for a period and General Sviridov said he would consider this<sup>191</sup>.

### *2. False information by Reactionary persons.*

The Deputy Chairman said that it had come to his notice that statements were being made that the Soviet authorities were intending to settle Ukrainian persons in places vacated by Schwabians and that some Ukrainians had already been settled in Hungary. He explained that these rumours were based on certain actual facts, namely that the Red Army units deal with live stock, cows etc., and that the officers commanding these units are authorised to employ Soviet Displaced Persons to assist in farm work. A number of Ukrainian Displaced Persons are now employed with these units but they will be moved when the Red Army moves.

General Sviridov said that he understood that certain U. S. War Correspondents had already reported on the above and made a story of it. He deprecated such reports as likely to drive a wedge between the Allies.

### *3. UNRRA*

The Deputy Chairman said that the Hungarian Government had requested permission of ACC for UNRRA help to Hungary<sup>192</sup>. General Key stated that he had cabled to his Government, recommending limited help.

<sup>190</sup> On 6 January the Communist daily, Szabad Nép, published an article ("Flower Bill, As Armistice Obligation") strongly criticizing the expenditure and conduct of the British and United States Military Missions in Hungary.

<sup>191</sup> The Szabad Nép was never suspended.

<sup>192</sup> The \$4,000,000 UNRRA relief program was formally approved on February 4, 1946 and supplies began arriving in May 1946. See, FRUS, vol. VI, p. 250

4. *Schwabians.*

Steps are being taken to speed up the start of the movement to Germany<sup>193</sup>.

5. *Report by Hungarian Government on Economic situation in Hungary*<sup>194</sup>.

The Deputy Chairman promised to expedite.

6. *Report by Hungarian Government on Expenses of the ACC*

The Deputy Chairman promised to expedite.

7. *"War Criminals" Trials.*

The Deputy Chairman stated that steps are being taken by the Hungarian Government to hasten the trials.

8. *"War Criminals" - Request by Yugoslav Government that certain persons be handed over.*

With reference to previous request<sup>195</sup> that two Hungarian officers be handed over, it was agreed that a third person NAGY (Miklós), ex-Mayor of Novisad be handed over to Yugoslav Government for trial.

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## 19.

*Conference of 11 January 1946*

General Edgcumbe's notes of an ACC meeting concerning the Danube bridges, the Szabad Nép article, the deportation of Schwabians and the cost of the ACC, dated 11 January, 1946

British Military Mission to Hungary  
*Notes of an ACC meeting with the Deputy Chairman,*

Lieut. Gen. Sviridov and Major Generals Key and Edgcumbe  
on 11 January 1946

Note: The Chairman still in Moscow

Present:

USSR:	Lieut. Gen. Sviridov
	Maj. Gen. Levushkin
	Lieut. Col. Cherkasov
U. S.:	Maj. Gen. Key
	Maj. Czerniuk
U. K.:	Maj. Gen. Edgcumbe
	Lieut. Col. Capron

<sup>193</sup> The first train carrying Germans from Hungary to the US occupying zone of Germany was dispatched on 19 January 1946.

<sup>194</sup> The report referred to was made by the Hungarian Finance Minister Ferenc Gordon, dated 3 December 1945. For Gordon's commentary on the economic situation of Hungary, see FRUS, vol. IV, pp. 917-920.

<sup>195</sup> See document 17.

1. *Danube Bridges.*

The Dep. Chairman said that all the temporary bridges were now out of use owing to ice and that the new Kossuth Bridge ought to be ready for all types of traffic in five days, whilst in two days' time pedestrians would be able to use it<sup>196</sup>.

2. *Article in the newspaper "Szabad Nép", contrary to Article 15 Armistice Terms*<sup>197</sup>

(a) The Dep. Chairman said that he had forwarded on a letter from the Prime Minister to Generals Key and Edgcumbe and asked for comments. Both Generals Key and Edgcumbe said that they had received the letter but had not had time to study it carefully.

(b) Dep. Chairman said he was informed that the Hungarian Foreign Minister<sup>198</sup> had visited the Political Reps in order to apologize. General Key said that he understood Mr. Schoenfeld had been so visited. Gen. Edgcumbe said that the British Rep had not received the Foreign Minister but had had a Note Verbale of which a copy had been sent to the Deputy Chairman.

(c) Gen. Edgcumbe said that it seemed that the main references by the Hungarian Government as regards disciplinary action were to the author of the article and he pointed out that it is proprietors of the newspaper who are responsible and suggested that suspension ought to be enforced for a few days as an example. Gen. Key agreed and said he could not escape the feeling that the Hungarian Government was not at all friendly towards the United States Government, and Gen. Edgcumbe said that he felt the same as regards the British Government. Gen. Key said that he now intended to advise his Government on the very strictest compliance of the Armistice Terms in every possible way.

(d) The Dep. Chairman said that he appreciated this was a serious case but that up to date there had been no suspension of an important newspaper and suggested that the letter from the Prime Minister should be examined at the Meeting forthwith and this was agreed. (Extract attached<sup>199</sup>.)

(e) After study of the letter and some discussion it was agreed that apart from the fact that no steps were being taken to suspend the paper, the Prime Minister's promises were satisfactory. The Dep. Chairman said he had not referred the matter to the Chairman in Moscow but that in his view the measures being taken by the Hungarian Government were adequate in view of there having been no previous offence. He promised that in the case of any recurrence very serious and strong action would be immediately taken.

(f) Both Gen. Key and Gen. Edgcumbe said that whilst they were not entirely satisfied they did not want to waste the time of the ACC unnecessarily and they would not press suspension in this case in view of the promise by the Dep. Chairman of strong action immediately if any further case occurred. Gen. Key added that he considered this article was an effort on the

<sup>196</sup> During the siege of Budapest all the Danube bridges were blown up by German troops. Apart from temporary bridges the first timberwork bridge -- called Kossuth Bridge -- was completed on 18 January 1946.

<sup>197</sup> See footnote 190.

<sup>198</sup> Gyöngyösi, János (1897-1951), Smallholder politician, Foreign Minister 1944-1947.

<sup>199</sup> Not printed.

part of certain persons to drive a wedge between the Allies and that in the case of any recurrence the sternest measures would be necessary.

### 3. Schwabians and their movement to Germany

(a) Gen. Key said that although full information had been given regarding the destinations in the U. S. Zone, Germany, there would be delay in starting the movement until 1st February.

(b) The Dep. Chairman said he had been in contact with the Hungarian Government and was informed that the first train would leave on 16th January and that medical examinations etc. were all in full progress. He knows of no reason for delay beyond that date.

(c) Gen. Key said he had further been informed that a new decree had been issued which would take some time, and account for the delay. The Dep. Chairman said he knew nothing of a new decree and had given orders for the arrangements to be expedited and that he had been informed by Gen. Belianov that there was no reason for delay due to any new decree.

### 4. French political reps.

The Dep. Chairman said that the Chairman had received application for entry of a French Political Mission and this was under consideration by the Chairman. Both Gen. Key and Gen. Edgcumbe said that they had no objections and supported the application.

### 4. Cost of the ACC

(a) Gen. Levushkin informed the Meeting that a Report on the costs of the ACC up to 1 Dec 45 had been received from the Hungarian Government, and handed round a summary<sup>200</sup>. He explained this summary showed the expenses, set out in two parts, viz. - those items which remained as assets to the Hungarian Government such as furniture, buildings etc., and those items which ceased to be assets after provision. He said that he intended to make it quite clear to the Hungarian Government that this was the form in which the costs should in future be shown.

(b) Gen. Levushkin said that he considered the Hungarian Government had "very big eyes" when they worked out the account. He had gone through the details and he did not consider there was anything unreasonable from the point of view of the demands by the various Representations of the ACC. He said that he had been informed unofficially that for December the cost was stated to be 24 milliards and that he would check up on this very large amount. He added that there was a sum of 350 million Pengős which the Hungarian Government apparently were in doubt as to whom it should be charged, and he thought that it was likely to be for some their own charges and nothing to do with the ACC

<sup>200</sup> According to a statement of the Hungarian economic department of the ACC the total expenditure of the ACC and the missions in December, 1945 amounted to 32,817,966,788 Pengős of which 9,859,815,545 Pengős were accrued by the Russian Mission (30.04%), 5,974,517,973 (18.2%) Pengős by the Americans, 4,742,045,542 s (14.45%) by the British, 2,769,686,011 s (8.44%) by the Czechoslovak and 4,278,988,949 (13.04%) by Yugoslav Missions. 740.00119 Control (Hungary)/1-3046, Record Group 59; NA, Washington D.C. See also, Földesi Margit, *A Szükséges Ellenőrző Bizottság Magyarországon, 1945-1947*, Budapest, 1995, pp. 35-44.

(c) A discussion took place as to the necessity for examining particular items of expenditure and it was agreed that in view of the voluminous nature of the accounts it would suffice if each Representation sent an Officer to the Headquarters of the ACC if they wished to examine the details of any particular items.

(d) Gen. Levushkin said that in order to ensure there were no items improperly charged by the Hungarian Government in future, instructions had been given that all bills should be passed to him after the items had been supplied<sup>201</sup>. Gen. Edgcumbe said that already considerable delay occurred in provision of requirements from the Hungarian Government and he hoped it would be made quite clear that delay in meeting demands is not to occur on account of the bills having been passed to Gen. Levushkin after provision. This point was noted and agreed.

### (e) Supply of money

In connection with the costs to the ACC, Gen. Edgcumbe raised the question of supply of money for the Missions and pointed out that owing to the depreciation of the Pengő, supplementary demands should be met quickly. He pointed out that his demands were very reasonable in that they had only averaged about £1,500 a month, which was small for a Mission of some 100 persons. His latest demand was for 1,000 millions which sounded big but was only equal to £1,250.

O. P. Edgcumbe  
Maj. Gen.  
Commissioner

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## 20.

*Conference of 24 January 1946*

General Key's memorandum on his special meeting with Marshal Voroshilov concerning the case of the MAORT oil company, dated 24 January, 1946

United States Military Representation  
on the  
Allied Control Commission for Hungary

Outgoing	Message
Precedence:	Routine
Classification:	Confidential
Originating section:	Chief

Name of officer preparing: Major General William S. Key

Date, time: 24 January

Reporting another conference with Chairman of ACC relative to MAORT oil company<sup>202</sup>. Today I again conferred with Marshal Voroshilov. Oil company officials

<sup>201</sup> The last six words were underlined in the original document.

<sup>202</sup> The case of MAORT was a very typical example of Soviet economic penetration into Hungary and revealed the Soviet method of gaining control over the Hungarian economy and damaging western invest-

at my suggestion prepared a chart showing the production by months for the years 1944-45 and the proposed production for 1946. It revealed that the proposed production was approximately nineteen per cent less than the production for 1945 which itself was nineteen per cent less than the production for 1944. They pointed out that the proposed reduction was a normal decline and to prevent irreparable damage to the properties the reduction should be even greater but if permitted to operate their properties without direction or interference by Soviet personnel they agreed to produce the amount indicated.

The company also stated in its letter that it had no objection to the presence of Red Army personnel to provide security for its installations and desired to cooperate with the Soviet authorities. They deny having any intention or plan to deliberately curtail production except to prevent damage to their property.

In my letter of transmittal I stated that it was my considered opinion that the reasons stated for reducing the oil output are believed to be sound and reasonable based on years of experience in the oil business. I pointed out that the wells could be flown wide open and probably for a short time could maintain the production record for 1945 but such action would shorten the life of the wells and make it impossible to recover all the oil from the field. I recommended that a long-range view of this subject be adopted to prevent the oil industry in Hungary being killed off entirely with a loss not only to the oil company but also to the economic life of the state.

I stated that in view of all the circumstances I submit the company's proposal as a fair proposition and accordingly renew my request that the properties be returned to the control of the American owners and that they be permitted to operate them in accordance with their own methods without further control or interference by Soviet authorities.

In an atmosphere of cordiality I discussed the matter frankly and at some length with the Marshal. Obviously he has been misled by his engineers and I believe was impressed by my presentation of the situation based on my own experience. He disavowed again the allegation that the Soviets were in control of the company which, of course, is contrary to the written instructions delivery to the company officials by the officer designated by the Chairman to take charge. The Chairman proposed that his engineers and the oil company engineers meet and study the company's proposals at the oil field, spending several days if necessary, and endeavor to reach an agreement and report back to him and me. I agreed to this proposal. The engineers will visit the field on 26 January and I hope will reach an agreement, which will result in a satisfactory settlement of this important subject.

*Bux 55, Record Group 338, ACC Hungary; NA, Washington, D.C.*

ments in the country. MAORT was a fully American-owned Hungarian subsidiary of the Standard Oil Company of New Jersey. The three oil fields of MAORT in southwestern Hungary, which provided the bulk of Hungarian oil production, were occupied by Russian troops. The management of the company was forced to maintain the production at such a high level that was considered by experts to be detrimental to the fields. The oil production of MAORT was used for reparations to the Soviet Union under Article 12 of the Armistice Agreement and the Government paid extremely low price for the oil. For more details see FRUS 1945, vol. IV, pp. 814-816., 921-922.; FRUS 1946, vol. VI, p. 328; FRUS 1947, vol. IV, pp. 276., 328., 335-337.

## 21.

*Conference of 25 January 1946*

General Edgcumbe's notes of an ACC meeting concerning the freedom of movement for ACC staff in Hungary, the Hungarian National Bank, Article 11 of the Armistice, etc., dated 25 January, 1946

British Military Mission to Hungary

*NOTES of an ACC Meeting*  
held on 25 January 1946.

Present:

USSR:	Marshal Voroshilov -- Chairman Maj. Gen. Levushkin Maj. Gen. Cherbakov Col. Cherkasov
U. S.:	Maj. Gen. Key Maj. Czerniuk
U. K.:	Maj. Gen. Edgcumbe Lt. Col. Capron

### *I. Freedom of movement*

a) Gen. Edgcumbe referred to a recent case where a Staff Offr had been detained in Vác by the local Kommandatura, and afterwards sent under escort back to Budapest when during the return journey an unpleasant incident occurred of the Russian escort threatening the officer with a revolver. He also said that a party of Officers, which he had sent to visit Szeged, had recently been detained for questioning and had only been permitted to go after the local Kommandatura had telephoned to the ACC in Budapest.

Gen. Edgcumbe said that he was anxious to know exactly what should be the procedure as regards his Staff travelling about Hungary in order to avoid such incidents.

b) The Chairman said that the first case was being investigated by the High Command and that serious action would be taken as regards the escort who threatened the British Staff Offr. He said that the occupying troops and the Kommandanturas were not directly under his command and that this made it essential that all Red Army Headquarters concerned were informed of visits by Officers of the various Representations beforehand, as there were so many different sorts of persons travelling around who were very hard to check. He said that there was no intention at all to control movements but he merely wished to avoid any incidents.

c) Gen. Edgcumbe said that it was essential there should be no delay caused to his Staff starting on a visit owing to the procedure for notifying the local Kommandanturas. The Chairman promised there would be no delay and said it would suffice if the Headquarters of the ACC was informed of the

details of the party, e. g. the vehicle and the individuals, just when the party was leaving. The Soviet Chief of Staff would then telephone to the necessary Headquarters of the Army of Occupation. If a little more notice of proposed visit by telephoning to the ACC the night before, could be arranged it would be convenient.

## 2. *The Hungarian National Bank*

- a) Gen. Edgcumbe said that he had heard that the National Bank had been placed under the control of a representative of the ACC and that he wished to be informed of the position in order that he might tell his Government who would be interested in such an important matter. Gen. Key said that his Government would also be very interested in this matter.
- b) The Chairman said that there was no actual control. He had recently tried to find out from the Prime Minister<sup>203</sup> and the Finance Minister<sup>204</sup> why such a large amount of notes was in circulation and what was happening to them. Since the cash levy just before Christmas, whereby 75% of all notes in circulation had been withdrawn, the amount of notes had increased from 600 milliards before the levy, to 1,090 milliards, 30 days later. He had decided that some steps must be taken to investigate and had therefore nominated an ACC representative to go to the National Bank and find out everything he could and make a report. In reply to Gen. Edgcumbe the Chairman promised that a copy of the written report would be circulated to him and to Gen. Key as soon as possible.
- c) Gen. Edgcumbe said that he was also informed that printing of the 100,000 Pengő notes had been stopped by order of the ACC, and the Chairman said that this had been done by his direct order. He had done this as an experiment and proposed to permit printing to be resumed shortly.
- d) Gen. Edgcumbe said that he wished to point out how embarrassing it was when information on important matters such as the above came to him through sources other than the ACC and hoped that in future the Marshal would see his way to informing him and Gen. Key when he was considering important measures as above. Gen. Key agreed and said that it was extremely embarrassing and caused distorted reports to be made. The Chairman said that he did not think his action would have such repercussions and agreed in future to keep his two colleagues informed. Gen. Key added that there were plenty of persons in Hungary disposed to drive a wedge between the Russians, and the Americans and the British, and that it was most important to avoid giving them any handle. The Chairman agreed that this was so.
- e) Gen. Key said that, speaking for himself without any instructions from His Government, he considered that the printing of notes was actually of no importance but what was needed was some definite plan by the Hungarian Government to meet the economic situation or else for the ACC to carry out a thorough investigation. The Chairman said that the Government

<sup>203</sup> Zoltán Tildy

<sup>204</sup> Ferenc Gordon

was supposed to be preparing a plan but they seemed to have no idea of taking control in the way of levying special taxes, reducing Government officials, controlling prices of essentials, etc.

- f) Gen. Edgcumbe agreed that the Hungarian Government ought to be made to produce their plan and said that he had just received a copy of an appeal from the Hungarian Prime Minister, addressed to the Marshal, for the loan of food and transport against a credit with the Three Allied Powers. The Chairman said that he had just received this letter, and the letter was read. It was agreed that the letter was a typical Hungarian Government letter asking for something but giving no details of any plan, etc. The Chairman said that he was still convinced that there was much more food etc. available for the population if only the Government took proper control but all they had done had been to frighten the farmers and peasants so that they would not produce the food, and frighten the population into thinking that there was inadequate food. Gen. Key said that the Hungarian Government are trying to put blame for the position on to the expenses caused by the Red Army and the ACC and the Marshal said that the upkeep of these was only about the same as the upkeep of the Hungarian Civil Service.
- g) Finally, the Chairman agreed to demand again an early report on the whole situation from the Hungarian Govt.

## 3. *Schwabians*

- a) Gen. Key said that two trains had already moved from Hungary to the U. S. Zone, Germany, and one more was ready. The arrangements for the collection of the deportees and for the journey were as good as possible under the circumstances.
- b) Gen. Key said that he had heard complaints regarding the selection of the deportees and about the whole matter and suggested that the original Government decree<sup>205</sup> which stated that the move was by "Order of the ACC", should be amended to read "By permission of the ACC". He pointed out that the Hungarian Government had, on their own initiative, asked that the Schwabians should be deported.
- c) The Chairman agreed to give instructions to the amendment of the decree and said that he would also arrange for publicity in the Hungarian newspapers to the effect that the deportations resulted from a request initiated by the Hungarian Government. The Chairman also agreed, in reply to Gen. Edgcumbe, that it should be made clear that the selection of individuals rested entirely with the Hungarian Government and that the responsibility of the ACC was only to ensure that the actual arrangements for the move were carried out in as orderly and humane fashion as possible.

## 4. *"Magyar Nemzet"*

Gen. Edgcumbe said that he had been informed that this paper had been suspended and asked for information. The Chairman said that he had ordered a suspension

<sup>205</sup> See Decree no. 12,330/1945 ME (XII. 29.)

owing to improper articles about the deportation of Schwabians but that at the request of the Prime Minister he had now agreed that the paper should start publication again.

#### 5. UNRRA.

Gen. Key said that the UNRRA rep is now in Vienna and should arrive in the course of a day or so. The Marshal agreed to give permission for his entry.

#### 6. Provisions of requirements for the ACC under Article 11, Armistice Terms

a) Gen. Edgcumbe said that at a meeting with Gen. Sviridov on the 11 January<sup>206</sup> it was agreed that bills for the expenses of the ACC should be passed to the Chief of Staff, Gen. Levushkin, after provision<sup>207</sup> in order that the Chief of Staff should ensure that the Hungarian Government were not placing bills improperly against the ACC account. He said that he had now received a peculiar letter direct from the Hungarian Government, which implied that bills would have to be approved by the Chief of Staff before provision. He had written to the Marshal pointing out that this procedure could not be accepted. The Chairman said that he had received a copy of the Hungarian Government Note and that he had already written a letter instructing them to alter it. The Chairman read out an extract of his letter to the Hungarian Government as follows: "Procedure remains as before and all demands must be satisfied immediately. In order to keep a check on [expenses debited by the Hungarian Government in their accounts, of the ACC all bills], after payment<sup>208</sup>, must be presented for approval to the Chief of Staff, ACC. The Chairman of the ACC expresses his surprise that the Hungarian Government should have sent a Note as they did, direct to the various Delegations and should have incorrectly interpreted the instructions of the ACC".

#### 7. Sub-Committee to study local Jewish position

Gen. Edgcumbe said that he had written to the Chairman as a result of instructions from his Government asking for agreement in principle for a small party belonging to an Anglo-American Jewish Committee, to come to Hungary some time in February. The Chairman said that he did not favour such parties but he will give the matter his consideration.

#### 8. War Correspondents

The Chairman said that War Correspondents, both American and British, were very troublesome in their inaccuracies. He would like to quote a recent case:

A Mr. Moron, U. S. Correspondent, had sent a message to the Associated Press to the effect that on the 27 February the Russians intended to take over the Standard Oil Company and all their property. The article suggested that the Russians intended to lay a pipeline from the Oilfields here to the Ukraine.

<sup>206</sup> See document 19.

<sup>207</sup> The last two words were underlined in the original document.

<sup>208</sup> The last two words were underlined in the original document.

The Chairman said that the whole thing was a mass of lies and imagination. The article had been confiscated and if this Correspondent continued to behave in this way it might be necessary to ask for him to leave. Gen. Key said that Mr. Moron is actually leaving Hungary tomorrow, the 26 January, in the normal course.

9. The next meeting will be held on Monday, 28 January, at 2.0 p.m.

O. P. Edgcumbe  
Maj. Gen.  
Commissioner

PRO FO 37158965

## 22.

*Conference of 28 January 1946*

General Edgcumbe's notes of an ACC meeting concerning clearances, Hungarian economy, food and fuel supplies for the ACC, fulfillment of the Armistice Terms and press correspondents, dated 28 January, 1946

British Military Mission to Hungary

*Notes of an ACC Meeting*  
held on 28 January 1946

Present:

USSR:	Marshal Voroshilov - Chairman
	Lt. Gen. Sviridov
	Maj. Gen. Levushkin
	Maj. Gen. Cherbakov
	Col. Cherkasov
U. S.:	Maj. Gen. Key
	Maj. Czerniuk
U. K.:	Maj. Gen. Edgcumbe
	Lt. Col. Capron

#### 1. Clearances to enter Hungary

(a) Gen. Edgcumbe said that several of his applications had been refused by the Chairman lately and he wanted to make clear his procedure for making applications. The applications did not come to him privately but were sponsored by his Government and were only put forward when they seemed reasonable. The Chairman would understand that when applications were refused H. M. G. would ask the reasons for refusal.

Gen. Edgcumbe then referred to applications on compassionate grounds, e. g. British Servicemen who wished to visit relatives in Hungary, whom they had not seen for a long time. Four cases had been refused recently. He considered that it was reasonable to allow such individuals to see their relatives, and Gen. Key supported this view.

(b) The Chairman said that the question of clearances was by no means an easy one and the Soviet High Command had requested that the numbers



be kept as small as possible. In his opinion applicants should, whenever possible, wait until Peace had been signed.

Gen. Key said that he strongly recommended that applications in case of really urgent cases such as serious illness of a mother or father should be approved. The Chairman replied that he was quite prepared to consider special cases of urgency. Gen. Key and Gen. Edgcumbe agreed to inform their Governments accordingly.

(c) Gen. Edgcumbe then referred to the application for Dr. Bálint<sup>209</sup>, representative of the British Institution of Psycho-Analysts, for whom he had made two applications, both refused. He requested the Chairman to give his reasons for refusal in order that H. M. G. may be informed.

The Chairman replied that he received a very large number of applications from all sources for persons to come to Hungary and that it was very difficult to be fair. His policy was not to approve applications unless there were some special reasons why the applicants could not wait until Peace was signed. In this particular case there appeared to be no special reasons. Gen. Edgcumbe said that he would inform his Government of this policy and, likewise, Gen. Key said that he would do the same.

(d) Gen. Edgcumbe next referred to cases of two R. A. F. Liaison Officers and two British trade representatives from the Ministry of Supply, for whom clearances had been refused. In these cases the Chairman said that he would be prepared to reconsider and would inform Gen. Edgcumbe of the result as soon as possible.

## 2. Economy of Hungary and the Pengő

In reply to Gen. Key the Chairman stated that he could give no further information yet but it is his opinion that the dollar seems to be causing trouble owing to its rate of exchange. Gen. Key said that the dollar could not be blamed, and after some discussion the Chairman explained that he did not mean that the Americans were in any way to blame on account of the rate of exchange of the dollar but that the Hungarians are to blame for letting the Pengő get out of control in relation to the dollar. It was agreed that the situation demanded real control by the Hungarian Government. The matter was not further discussed pending report that the Chairman called for from the Hungarian Government as a result of the ACC Meeting of the 25 January<sup>210</sup>.

## 3. Food and fuel for the various missions of the ACC

(a) Gen. Edgcumbe stated that he had received a report that there was likely to be trouble over the supply of food for his Mission owing to the fact that the Hungarian firm (Wagon Lit) responsible for the feeding of the Mission was now owed some 2,5 milliard by the Hungarian Foreign Office and unless this was paid, food supplies could not be obtained. He said that his Staff Officer, Col. Pemberton, had already discussed this matter with Gen. Levushkin who had been very helpful.

Gen. Edgcumbe then referred to the difficult fuel situation and said that this matter had also been taken up, although the difficulties of the Hungarian Govt. were

<sup>209</sup> Bálint. Mihály (1896-1970), physician, psychoanalyst of Hungarian descent. He lived in the UK after 1939.

<sup>210</sup> See document 21.

fully appreciated, the failure to keep the Mission properly supplied was simply due to bad organization, coupled with lack of goodwill.

(b) The Chairman said that everything possible would be done and gave instructions to the Chief of Staff, Gen. Levushkin, to ensure that matters were straightened out.

(c) Gen. Edgcumbe took this opportunity to say that his Staff had told him how helpful Gen. Levushkin was in these tiresome matters and he wished to express his thanks. Gen. Key associated himself with this.

## 4. Fulfillment of the Armistice Terms

Gen. Edgcumbe suggested that in order to inform his Government an ACC Meeting should be held in the near future to go through the various articles of the Armistice Agreement and discuss how far the Hungarians had carried them out up to the end of 1945. Gen. Key supported this suggestion, and the Chairman agreed.

## 5. Press correspondents

The Chairman said that he again wished to refer to inaccurate reporting by press correspondents. Reuters' Correspondent from Sofia had reported that he, Marshal Voroshilov, had given orders to the Hungarian Government to produce their full views for the Peace Treaty within the next three days. This was completely inaccurate and he had done nothing of the sort.

Note: At the end of the Meeting the Chairman permitted an American Press Correspondent to take photos of the Meeting.

O. P. Edgcumbe  
Maj. Gen.  
Commissioner

PRO FO 371/58965

## 23.

Conference of 12 February 1946

General Edgcumbe's notes of an ACC meeting concerning the movement of western representations in Hungary, the deportation of Schwabians, clearances, etc., dated 12 February, 1946

British Military Mission to Hungary

NOTES of an ACC Meeting  
held on February 12, 1946.

Present:

USSR:	Lieut. Gen. Sviridov - Deputy Chairman
	Col. Cherkasov
U. S.:	Maj. Gen. Key
	Maj. Czerniuk
U. K.:	Maj. Gen. Edgcumbe
	Lt. Col. Capron

### 1. Visits to Hungary

Gen. Key asked for an early answer to his letter requesting permission for the undermentioned to enter Hungary:

Mr. Justice Jackson, in connection with trials of War Criminals, and a general Officer of the U. S. Army, to visit Gen. Key.  
The D/Chairman<sup>211</sup> promised an early answer.

### 2. Anglo-American Committee on Jewish Affairs

Gen. Edgcombe said that he had sent an explanation in writing to the effect that this Committee was examining the position of the Jews throughout Europe in relation to the need for immigration to Palestine and elsewhere. H. M. G. are most anxious to know that permission to enter Hungary can be given. The D/Chairman said that he had informed the Chairman who will give a decision himself on his return from Moscow in a few days.

Gen. Key stated that his Government was equally interested with the British Government in this matter.

### 3. Freedom of movement in Hungary

(a) D/Chairman stated that in the case of Soviet Officers of the ACC they all have to have a Movement Order when travelling in the Provinces and this is due to the Regulations of the Soviet Occupying Army. British and U. S. Officers of the ACC should, likewise, either have a Movement Order or should have their journey cleared by telephone in order to avoid difficulties.

(b) Gen. Edgcombe suggested the possibility of Officers being issued with new Permanent Passes with their photos attached in order to save all the telephoning etc. for each separate journey. Gen. Key supported this.

The D/Chairman, however, said that it was difficult to make special arrangements when the Occupying Forces had their own Rules to which we must all conform.

(c) Gen. Key pointed out, in connection with movement generally, that the U. S. Command in Germany were very critical about the difficult procedure of getting clearances into Hungary and about the delays in such clearances. The D/Chairman again referred to the rules of the Occupying Forces.

(d) After some further discussion it was evident that there can be no change in the existing procedure.

(Note by Cmr: It is essential, in order to avoid incidents that the procedure regarding movement in the provinces is carefully carried out and that full documents are, in future, carried.)

### 1. Statutory list

D/Chairman said that he had already written to Gen. Edgcombe to the effect that the Hungarian Government had put into force the British Statutory List. (Soviet letter 353 of the 8 February.)

<sup>211</sup> Deputy Chairman of the ACC for Hungary. Lieutenant General Sviridov.

### 2. Census of railway rolling stock for E. C. I. T. O. <sup>212</sup>

The D/Chairman said that this census had been carried out by the Occupying Forces and that a copy of the report will be sent to the British and Americans as soon as available.

### 3. Fulfillment of Armistice Terms up to date

The D/Chairman said that this matter would be discussed at the next meeting, when Chairman will be available.

### 4. Economic position in Hungary

The D/Chairman said that the Chairman wished to defer discussion on this, until his return.

### 5. Schwabians

(a) Gen. Key said that the first five trains had arrived in the U. S. Zone with many deportees in a very miserable and hungry state. Furthermore, cases had come to light where deportees had only been given a few hours' notice to leave. Gen. Key handed a letter to the D/Chairman in which he asked that in future sufficient food be provided by the Hungarian Government for ten days and properly controlled and that at least five days' notice be given to deportees before their movement. The ten days' supply to be in addition to and quite separate from, the allowance of 100 kilograms baggage per deportee and any personal food included in such baggage. He said that he proposed to send an officer through with the next train but that for the time being he was giving no clearance for any trains to start. He pointed out that in the case of deportees from Czechoslovakia, they were arriving in good condition, adequately fed and looked after. He further pointed out that he understood the Hungarian Government to be complaining that the ACC are responsible for insisting on the movements being arranged with undue haste but, in fact, this is not so as they had a month's notice to make arrangements.

(b) Gen. Edgcombe pointed out that the Hungarian Government are getting rid of a large number of Schwabians without exchange and are so saving food supplies in Hungary. Therefore it is quite fair to insist that the Government provides adequate food for the journey. Furthermore, some of the deportees are rich and some are poor, and it is not fair to deportees to produce their own food. Arrangements should be made for their feeding in the journey in the same way as moving a party of soldiers. Gen. Edgcombe also stressed that a clear five days' notice should be given to deportees before their move.

(c) After some further discussion the D/Chairman suggested that Gen. Belianov should meet Col. Hyde and British Rep., and discuss the whole question. He promised to give an order regarding the five days' notice.

<sup>212</sup> European Central Inland Transport Organization

It was agreed that Gen. Key would provide a suggested scale of food as a minimum to be carried for ten days, and should also arrange for a U. S. Officer to supervise the distribution. It was further agreed that there should be a joint inspection by U. S., Soviet and British Officers, of the next train and that, possibly, Inspecting Officers should accompany the train.

#### 1. Clearance – Dr. Bálint

Gen. Edgcumbe asked for reconsideration of clearance for this rep. of the British Psycho-Analysts Society. He explained that H. M. G. considered that there should be no delay in permitting persons with good reasons such as the needs of science to come into Hungary. The D/Chairman said that this matter would be considered by the Chairman on his return.

#### 2. Clearance for two Hungarians to proceed to U. K.

Gen. Edgcumbe referred to his letter 467 of the 9 February asking for clearance for Messrs. Jendrassik<sup>213</sup> and Stein to visit London in connection with a question of pre-war contracts. The D/Chairman promised to look into this matter as soon as possible.

#### 3. Turkish Political Mission

Gen. Edgcumbe said that his Government had been informed that the Turkish Government are seeking permission for a Political Mission to enter Hungary and are interested to know what is the position. The D/Chairman said that he had no information about this and had not heard of any application.

#### 4. Telephone service

Gen. Key stated that he had been informed that approval had been given in Vienna for telephone communication from there to Budapest and he would like to know what the position is here. The D/Chairman promised to look into this matter.

#### 5. UNRRA

Gen. Key referred to the question of supplies coming through Constanza. D/Chairman said Chairman had already recommended to the Chairman of UNRRA, Mr. Lehmann<sup>214</sup> that supplies should come through Trieste. Gen. Key said that he would confirm this to UNRRA by wire.

O. P. Edgcumbe  
Maj. Gen.  
Commissioner

PRO FO 371158965

<sup>213</sup> Presumably György Jendrassik (1898–1954), mechanical engineer, inventor and designer of the gas turbine.

<sup>214</sup> Lehmann, Herbert Henry (1878–1963), financier, philanthropist, director of the Office of Foreign Relief and Rehabilitation from 1942. He continued to be the director when the agency merged with UNRRA. He was in office until 1946.

## 24.

Conference of 6 March 1946

General Edgcumbe's report of an ACC meeting concerning the economic position of Hungary, the Hungarian Army, the UNRRA, Article 13 of the Armistice, etc.

Notes of an ACC Meeting  
held on 6 March 1946

Present:

USSR:

Marshal Voroshilov – Chairman  
Maj. Gen. Levushkin  
Maj. Gen. Cherbakov  
Col. Cherkasov

U. S.:

Maj. Gen. Key  
Maj. Czerniuk  
U. K.: Maj. Gen. Edgcumbe  
Lt. Col. Capron

#### 1. Armistice Terms

The Chairman agreed to hold a plenary Meeting of the ACC in the near future in order to discuss the question of the fulfillment or otherwise of each Article up to date<sup>215</sup>.

#### 2. Economic position

(a) Gen. Key said that his Government wished for a report on the economic situation of Hungary and particularly on the financial situation. He said that the Hungarian Govt. seemed to do nothing but ask for help and in this connection they are now making a great point about the need for the return of Hungarian property which was moved during the War to Austria and Germany and which was chiefly in the U. S. Zones. It seemed that the Hungarians were now using this as one of their main arguments for their bad economic situation and were adopting an unpleasant attitude apparently quite forgetting the fact that they are ex-enemies.

(b) Gen. Edgcumbe agreed with Gen. Key and said that in view of the situation in Hungary, which was now being made out by the Hungarians to be one of the worst in the whole World, his Government expected some information on the subject. He said that he understood the economic situation in Romania, which was very bad, was under close examination there by the ACC and he considered that the position ought to be examined in the same way.

(c) The Chairman said that he had talked several times to the Prime Minister<sup>216</sup> and that he understood that each political party was putting up a

<sup>215</sup> The conference was held on 23 April 1946. See document 25.

<sup>216</sup> Ferenc Nagy

plan to deal with the situation and that eventually a joint plan would be produced. He pointed out that there was nothing in the Armistice Terms about the ACC undertaking to examine the interior economy of the country and said that in his opinion, if we were not careful, the Hungarian Government would just sit back and expect the ACC to rebuild the country for them. He considered that the Hungarians, or anyhow, some of them, were trying to do much the same as the Germans did after the last war, with a view to getting outside assistance. He said that when the Government produced their plan the ACC will have the opportunity of discussing this matter further.

### 3. *Trials of Hungarian citizens for crimes against United States personnel during the war*

Gen. Key said that there had been very great delays in this matter but there was some improvement now. He was watching the matter very carefully and might have to take some further action about this unless the Hungarian Government expedited matters.

### 4. *Anglo-American Sub-Committee on Jewish position*

The Chairman was informed that this Committee had now gone to Palestine and, consequently, no further discussion took place.

### 5. *Hungarian Army*

(a) Gen. Key referred to a newspaper story from Vienna about plans for increasing the Hungarian Army considerably, and asked for information.

(b) The Chairman said that there was nothing in this story at all. The Hungarian Army was being reduced and had already been reduced from some 40,000 to 33,000, and would soon be down to 26,000. He promised to send detailed figures in writing<sup>217</sup>.

(c) In connection with the size of the Army, Gen. Edgumbe said that although, obviously, the size of the Hungarian Army was not a matter of any very great importance, nevertheless, there was a point about the Police he wished to raise, viz.: that on principle the size of the Police should be controlled so that the Hungarian Government could not transfer men from the Army into the Police in unrestricted numbers.

The Chairman said that the size of the Police was at present some 38,000 of which only 7,000 or 8,000 were actually armed. They were divided into two categories, the ordinary Police and the Political Police, but he could not give any figures of the distribution between the two categories.

### 6. *Improper inquiries by the Hungarian police etc.*

Gen. Key said that arising out of the talk about the Police, he wished to inform the Chairman that there had been various cases recently of alleged Hungarian Police making improper inquiries into the movements of his Staff and the lay-out of Offices etc., and if this continues he will have to make a formal protest through the ACC

<sup>217</sup> In connection with the reduction of the Hungarian Army, see document 13 and footnote 168.

Gen. Edgumbe said that the same thing applied to his Mission and that if it continued he would have to ask the Chairman to take some action. The Chairman took note of this and said that, of course, it was no business of the Hungarian Police to make any such investigations.

### 7. *United Nations property and Article XIII Armistice Terms*<sup>218</sup>

The Chairman said that certain new proposals by the Hungarian Govt. had been submitted to the British and American Missions and suggested that they should be discussed in due course. This was agreed but Gen. Edgumbe said he wished to stress that in the original proposals of the Hungarian Government regarding the procedure for claims under Article XIII the Government have shown quite the wrong spirit and appeared to think that they could decide on how the claims were going to be settled.

### 8. *Sub-Committee of the ACC to discuss economic matters*

Gen. Key recommended that the Chiefs of the Economic Sections of the Soviet, British and American should meet regularly in order to discuss economic matters such as German ownership in Hungarian industries, points affecting American or British industries etc. Gen. Edgumbe supported this and said he considered regular meetings should prove very helpful. The Chairman, however, was unable to agree as, in his opinion, it is best to arrange for special meeting as and when required on each specific subject.

### 9. *Schwabians*

Gen. Key informed the meeting that the movement of the Schwabians to the U. S. Zone, Germany was progressing satisfactorily and that about 15 trains have now left.

### 10. *Clearance for Dr. Bálint, representative, British Psycho-analyst Society*

Gen. Edgumbe said that his Government urged clearance for this individual as a representative of Science, and the Chairman said that he was now prepared to agree.

### 11. *Telephone facilities, Budapest - Vienna*

The meeting took note that this is now working.

### 12. *UNRRA*

The Meeting considered whether any particular action was necessary and decided that nothing further could be done at present to facilitate the work of UNRRA here.

### 13. *Statement of cost, ACC*

Generals Key and Edgumbe informed the Chairman that their Financial Advisers were examining the latest tables and in due course would wish to discuss certain points with the Chief-of Staff, Maj. Gen. Levushkin.

### 14. *Repatriation of Hungarians from French zones, Germany and Austria*

Gen. Key said that with regard to the requests of the Hungarian Government that priority of repatriation should be arranged from the French Zones, he understood that such repatriation had already started.

<sup>218</sup> See Appendix A.

15. *E. C. I. T. O.*

Gen. Edgcumbe asked for any information as to progress of the railways census in Hungary, and the Chairman said that Gen. Sviridov would give this information when available.

16. *Turkish political mission to Hungary*

Gen. Edgcumbe said that his Government were anxious to know about this Mission and the Chairman said that he had heard nothing about it at all.

17. *Exit permits, Messrs. Jendrassik and Stein, to visit U. K.*

Gen. Edgcumbe referred to his applications in writing, and pressed for a decision explaining that these individuals were required in England to give important information regarding pre-War contracts. The Chairman promised to look into this matter again but asked Gen. Edgcumbe to investigate the credentials of the individuals concerned and let him know about them.

18. *Clearance for two British trade Reps of Messrs. Coates*

Gen. Edgcumbe said that he had made applications for three Reps of Messrs. Coates to come here and they were all specialists urgently required to look into this very big British interest. One clearance for Mr. Saunders<sup>219</sup>, had been given, but clearance for Messrs. Martin and Shillito had been refused. He asked for reconsideration and the Chairman agreed to look into the matter.

*O. P. Edgcumbe*  
Maj. Gen.  
Commissioner

PRO FO 371/58965

25.

*Conference of 23 April 1946*

Minutes of a formal meeting of the ACC where matters concerning the Statutes of the Armistice, Navigation on the Danube, transfer of German assets to the Soviet Government, etc., were discussed, dated 23 April, 1946

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

*Notes*

A meeting of the Allied Control Commission for Hungary was held at 10.00 hours on 23 April 1946, in the conference room of the Soviet Headquarters in Bajza utca near Andrassy út, Budapest, Hungary.

<sup>219</sup> Deputy director of Standard Electric in Hungary, of British origin.

The meeting was called to order by the Acting Chairman, Lieutenant General V. P. Sviridov, who presided, in the absence of Marshal Voroshilov<sup>220</sup>.

Present were: *The United States Representation*: Major General William S. Key, Colonel Dallas S. Townsend, Captain William F. Dietrich, USN, Colonel Henry G. Simmonite, Lieutenant Colonel J. D. Wilmeth<sup>221</sup> and Major Edward J. Czerniuk.

*The British Representation*: Major General O. P. Edgcumbe, CBE, MC, Brigadier E. E. Mockler-Ferryman, Colonel Patrick-Smith<sup>222</sup>, Commander E. H. C. Branson, Lieutenant Colonel P. C. Capron and Mr. Stewart.

*The Soviet Representation*: Lieutenant General V. P. Sviridov, Major Generals Belianov, Kondratov and Levushkin, and Colonel U. I. Sova, Lieutenant Colonel M. I. Cherkasov and Captain L. Hrubr<sup>223</sup>, Soviet Navy.

The discussion, as noted by the Secretary, is substantially as follows, subject to any discrepancies in translation from the Russian.

Note: No Agenda was prepared by the Chairman but the following proposed Agenda was submitted by the American Representative and all subjects were discussed.

AGENDA

ACC Meeting, 23 April 1946

1. Status of Armistice terms.
2. Report of economic conditions and measures to improve them.
3. Transfer of German assets to Soviet Government under Potsdam Agreement.
4. Inventory of railroad rolling stock.
5. Conscription of Hungarians for army.
6. Strength and composition of Hungarian Police Forces.
7. Censorship of news and radio.
8. Schwabian movement.
9. Identification documents for United States military and diplomatic personnel.
10. Status of navigation on Danube.
11. Use of American property by Hungarian nation for reparations.

*General Sviridov*: We will first discuss the Armistice Agreement, Article by Article<sup>224</sup>. Article I. I consider that this Article has been substantially complied with. In this connection we will discuss the question of General Edgcumbe and General Key regarding the Hungarian Army. Marshal Voroshilov, on behalf of the ACC, approved the Hungarian War Ministry plan for a discharge of 14,666 soldiers of an older group and permitted the conscription of the same number of men from the class of 1923-24. At present only 9,471 have been inducted as the new uniforms for the balance are not available. The Hungarian Government calls up these men regardless of their social position and if they meet the standards of health they are taken into the Army. The exemptions are miners, students of

<sup>220</sup> Marshal K. E. Voroshilov left for Moscow in March 1946 and did not return again. Although he remained formally the president of the ACC for Hungary, his place was taken by Lt. Gen. Sviridov.

<sup>221</sup> Colonel James D. Wilmeth, Head of Military Division of the US Military Mission on the Allied Control Commission for Hungary.

<sup>222</sup> Colonel R. Patrick-Smith, Secretariat of the British Military Mission.

<sup>223</sup> Correctly: Captain I. L. Hrubov, Assistant Chief of the River Fleet Department.

<sup>224</sup> For the Armistice Agreement, see Appendix A.

universities, fathers of large families, and men needed for the national economy. The period of service has not been established and will be settled after the peace treaty has been concluded. The above number being conscripted this year, but I cannot say what the size of the Army will be in 1947. I have never received any information from the Hungarian Government of their plan to reduce their Army to 15,000. I heard that it was mentioned in some paper but no request has been made by the Hungarian Government. The only information I have is that the War Ministry is complying with the reduction to 25,000. Further discussion of this point may be made at the next meeting.

*General Edgcumbe:* According to the information furnished me it appears that the frontier guards have been increased considerably over their strength last November. What are these frontier guards?

*General Sviridov:* They consist of groups of men of 30 or 35, each of which are organized into companies and battalions. This is the largest organization there, and they receive orders direct from the Ministry of War.

*General Key:* I agree that the Article has been fulfilled.

*General Sviridov:* (Here followed a short discussion on Articles II, III and IV. It was agreed that these Articles had been fulfilled by the Hungarian Government). I believe that Article V has also been fulfilled.

*General Key:* I should like to raise the question under this Article concerning Political Police. We hear reports of Hungarians who are friendly to Allied Nations being arrested. I intend to discuss Political Police later; I am concerned about these Hungarians who are friendly to Americans and British being arrested.

*General Sviridov:* All right. Now as to Article VI. The Hungarian Government has been searching for the property of the Allied Nations that had been taken to Hungary during the war. Actually they have found very little and it is believed that most of the property was removed by the Arrow Cross and the Germans when they withdrew. I believe that this Article has been fulfilled.

*General Edgcumbe:* The Article states that by dates specified by the ACC certain property will be returned. For instance, it is understood that certain Czechoslovakian property — in the way of locomotives — is here in Hungary. While these may not be any American, British or Soviet property, the property of the Czechoslovakian Republic and Yugoslavia concerns us and the Commission should take action on the matter.

*General Key:* I agree that a date should be set on which the claims of the Czechoslovakian Republic and Yugoslavia and any other Allies should be submitted.

*General Sviridov:* I understand the Czechoslovakian Republic and Yugoslavia gave their claims to Hungary, including so many minor objects such as souvenirs, household utensils, etc.

*General Edgcumbe:* It seems it is a matter for the Commission to see that a date is set for Hungary's complying with claims.

*General Sviridov:* Let us consider this Article fulfilled for USA, British and USSR. As to the Czechoslovakian Republic and Yugoslavia, let us ask them and then take up the matter of setting a date when the Hungarians must comply.

*General Edgcumbe:* There is a small point I want to mention: property was removed from the British Legation that is extra-territorial. It was moved into Hungary and therefore it is to my mind pertinent to this Article.

*General Key:* I think it is under Article XIII that such should be taken up.

*General Edgcumbe:* It is a moot point whether we should not set a date for the Hungarian Government to return the stolen property to the Legation and see that they carry it out.

*General Sviridov:* It seems to me that what General Key says is right. It is property that was here before the war and therefore does not come under Article VI.

*General Edgcumbe:* I guess that is right and I am willing to concede the Article is fulfilled except for Czechoslovakia and Yugoslavia.

*General Sviridov:* Article VII. No booty or vessels of the fleet of Germany was turned over, as the Hungarian Government did not have any such property. Article VII is therefore fulfilled.

*General Key:* We hear reports that a considerable amount of war booty was taken by the Soviet High Command. If no war booty was turned over to the Soviets, a statement ought to be made to refute these reports.

*General Sviridov:* Probably there is some misunderstanding. The Hungarian Government did not turn over any war booty inasmuch as the Soviet troops captured all the war booty that could be found and, therefore, the Hungarian Government did not have a chance to turn over any booty.

*General Sviridov:* Article VIII. In order to clarify: First of all, the Soviet Government was awarded all German assets in Hungary by the Potsdam Conference<sup>225</sup>. No final results obtained yet, but the Hungarian Government is trying to fulfill this and from our side we have no complaints.

*General Key AND Edgcumbe:* There is no cause then to complain of non-fulfillment, we agree.

*General Sviridov:* Article IX. A very special protocol was signed in regards to this Article in Moscow. It is my opinion that there were no vessels in the hands of the Hungarian Government which were property of any of the Allies, so, therefore, it could not turn them over to any of the Allies. (Special annex to protocol of January 1945).

*General Key AND Edgcumbe:* We agree on fulfillment of this article.

*General Sviridov:* Article X. This Article was fulfilled. Part is in the hands of Allied (Soviet) High Command, other part of vessels are in hands of the American High Command. Are there any questions on this?

*General Key (aside):* Captain Dietrich, have you any questions on this?

*Captain Dietrich (aside):* None.

*General Sviridov:* Article XI. The Hungarian Government makes regular payment without any difficulties. The food given to the Red Army during 1945 was supplied by the Hungarian Government. During the first quarter of 1946 no requisitions for foodstuffs were made for the Red Army, nor up till now has there been any. The Red Army supplied Budapest with food in considerable quantities early last

<sup>225</sup> For documents of the Potsdam Conference, see FRUS, *The Conference of Berlin, 1945*, vol. 1, p.554-561, vol. II, p. 949-969

December 1945. The Hungarian Government did its best to supply food last year but could not comply in whole. We are satisfied that this Article has been fulfilled to the best of the Hungarian Government's ability.

*General Edgcumbe:* No food requisitions are now being made against the Hungarian Government, is that right?

*General Sviridov:* Yes.

*General Key:* I am pleased to learn in lieu of the food shortage that the Red Army has made no request for food during 1946.

*General Sviridov:* Article XII. The Hungarian Government could only fulfill the reparations in part during 1945 because it had insufficient raw materials such as cotton, coke, etc., which are imported. They have completed trade agreements with the Soviet Union and other neighboring countries for the import of some materials that are needed to reestablish their industries<sup>226</sup>. The heavy industries are now being put into shape and they already are beginning to fulfill their 1946 reparations deliveries. As you are aware, the Soviet Union has extended the reparation payments from six to eight years, and this will enable the Hungarian Government to complete their reparations account so it is not important that there was not a strict compliance in 1945.

*General Key:* What percentage did the Hungarian Government pay the Soviet Union in 1945?

*General Sviridov:* About 40%. The reparations still due from 1945 will be taken up in 1946.

*General Key:* What progress has been made in paying the Yugoslavs and Czechoslovaks reparations?

*General Sviridov:* I do not know the exact figures, but it is less than 40%. This was all they could do because they had to pay in wheat and grain and they were short of this in 1945.

*General Key:* This extension from six to eight years, just how is this to be carried out? Will payments for one year or more be waived or will they be protracted over a period of eight years?

*General Sviridov:* It has not been decided yet. This is being discussed with the Hungarian Government and is now under consideration.

*General Key:* I think we should be given data here showing just what the Hungarian Government did accomplish in the way of making its payments of reparations to USSR, CSR and YS up to date.

*General Sviridov:* The matter will be discussed with the Hungarian Government.

*General Key:* Do you believe the Hungarian Government will be able to pay the complete reparations in eight years?

*General Sviridov:* No one knows that answer, General Key.

*General Key:* I believe that they will be able to pay if they are given a breathing spell now as they need an opportunity to reorganize their industries, buy machinery and raw materials, etc., and get their factories and farms back on normal production.

*General Sviridov:* There will be a special agreement on this matter, but it is hard to tell.

<sup>226</sup> See footnote 164.

*General Edgcumbe:* In the final paragraph of Article XII, it is stated that reparations for other United Nations could be taken up later. It may be that claims will be made under this last paragraph of Article XII if Article XIII is not complied with.

*General Key:* I think my Government will have some claims under Article XII, probably for such matters as the Tungsum Plant<sup>227</sup> and the MAORT Oil Company<sup>228</sup>.

*General Sviridov:* Taking into consideration the endeavors of the Hungarian Government to fulfill its reparations, which inability has been realized, there are no USSR claims to put forward because of the extension of the period of payment, but of course there are some claims of the USA and UK.

*General Sviridov:* Now as to Article XIII. Unfortunately, we have no information as to what the Hungarian Government is doing to restore the property of United States and Great Britain. They have set up a special committee for this matter. Probably they have not fulfilled their obligations to other countries, but I believe it is the intention of the Hungarian Government to do all they can as soon as possible. They first want to start their heavy industries and this should be taken into consideration.

*General Key:* I do not think that this Article can be completely fulfilled for a long time and for that reason it should be considered with Article XII, as I see it they go together.

*General Sviridov:* I would like to know whether General Key or General Edgcumbe, as representatives of their Governments, have any agreement with the Hungarian Government as to the dates for the fulfillment of Article XIII.

*General Key:* There is no agreement to my knowledge. My Government has not filed any claims as yet, but it will in time.

*General Edgcumbe:* I have sent in forms stating certain property claimed by the British Government. I think the Hungarian Government is not showing good will in this matter. They have done nothing except to set up this committee. Claims under this Article are intended to be dealt with by the British Government and the Hungarian Government and we do not intend to have individual firms or individual persons submit claims to the Hungarian Government for them to pass on. It is not for the Hungarian Government to decide whether they are valid but only to try to disprove them if it is possible. If we say that 50% of a certain industry is British property, we will not argue with the Hungarian Government if they say only 30% is British and they can prove it all right. They must deal on a Government basis and not on an individual basis. I have submitted this point of view to my Government and to the Hungarian Government and a reply has been received but I have not investigated it sufficiently to decide whether it is acceptable.

*General Key:* That is substantially the position of my Government. We are not concerned with the appointment of committees or the administrative machinery. We will present our claims to the Hungarian Government, make final decision ourselves as to the validity of them and will expect and demand that they be paid.

*General Sviridov:* What do you say is the status of this Article XIII.

<sup>227</sup> See footnote 97.

<sup>228</sup> See footnote 202.

*Generals Key AND Edgcumbe:* Both thought the Article unfulfilled and still up for discussion, etc.

*General Edgcumbe:* Up to date the discussions with the committee have all gone through the Chairman of the ACC. I think this arrangement wasteful of time and suggest that direct arrangements should be made, with copies to the Chairman or oral information to him. The time has now arrived to deal direct in order to get any action started.

*General Sviridov:* As I remember, there were certain procedures established by Marshal Voroshilov by which all vital correspondence be put in writing through the Chairman of the ACC, but the meetings can be held direct between the committees and the concrete results reported after each meeting.

*General Edgcumbe:* That would be about what we need.

*General Sviridov:* The two Articles XII and XIII are so closely connected, and it would be well for the Soviet representative to be present at such meetings of the committees in order that the results obtained are not in conflict with previous arrangements of the Hungarian Government as to other reparations. (It was then agreed that Article XIII was not fulfilled but was only in the process of discussion).

*General Sviridov:* Article XIV. The Soviet Government has no special demands to make on the Hungarian Government on this Article and considers it fulfilled.

*General Key:* Did the Hungarian Government surrender the two war criminals to Yugoslavia who were demanded?

*General Sviridov:* The Hungarian Government is still to try them and I do not know what the results will be, but I am sure that it will be all right<sup>229</sup>.

*General Sviridov:* Article XV. All organizations mentioned have been dissolved by the decree<sup>230</sup>. The registration of allowed organizations under the decree has been carried out. Are there any points that prevent acceptance of fulfillment of this Article?

*Generals Key AND Edgcumbe:* None, except what may come up in future.

*General Sviridov:* Article XVI. Soviet has only final control, and otherwise the Hungarian Government runs this.

*Generals Key AND Edgcumbe:* (Both had no point to raise and the Hungarian Government is credited with having fulfilled this Article).

*General Sviridov:* Article XVII. There is no doubt that this Article has been carried out.

*General Key:* The last time this article was discussed there was a little area still not turned over to Hungarian Government control. Now all territory has been turned over?

*General Sviridov:* You are right.

*General Edgcumbe:* There were Soviet ACC representatives in all the counties. I suppose they are still functioning to see that the Armistice terms are carried out.

*General Sviridov:* Since the Armistice is still in effect these representatives are still functioning. So we say this Article is fulfilled.

<sup>229</sup> Four Hungarian war criminals were handed over to the Yugoslav authorities and all of them were sentenced to death and executed in November 1945. See footnote 183.

<sup>230</sup> See Decree no. 529/1945 ME issued on 26 February 1945.

*General Sviridov:* Article XVIII. The Article is fulfilled since the ACC is still not liquidated.

*General Sviridov:* As a summary, it can be seen that the Hungarian Government tried to fulfill the terms of the Armistice within its power to do so, and we cannot say they tried to evade their responsibilities.

*Generals EDCBUMBE AND Key:* (Both agreed with the above statement).

*General Sviridov:* Let us now proceed with the next question on the Agenda. Question 2 (U. S. Agenda). Generals Key and Edgcumbe have asked that the Hungarian Government give certain information about the economic conditions. I spoke to the Prime Minister<sup>231</sup> and his deputy (Rákosi<sup>232</sup>) about this and they said the Economic Plan was given by their Government to the Hungarian Press. Hungarian Government does not hold anything from its people. Besides, the internal government planning does not strictly apply to the duties of the ACC. They do not have any economic-financial plans to handle the situation except those given to the press of 8th and 9th April<sup>233</sup>, such were given in general.

*General Edgcumbe:* I propose to inform my Government accordingly and will say no more at this time.

*General Key:* I consider this reply unsatisfactory in that they have not furnished the ACC with the report and plans requested. We, as friendly powers, are trying to help them get on their feet; they ought to show sufficient interest to respond to our inquiries as to the economic situation. I consider it almost an affront to a friendly government to reply to a courteous request for information that the desired information can be found in the newspapers. If a ten million Pengő note will not buy a loaf of bread and there is no plan to improve this situation, I must conclude that Hungary has a very weak government. These are my personal views, but I have very definite ideas about conditions here. It seems that this government is depending on the generosity of Russia, the United States and Britain instead of trying itself to improve their lot.

*General Sviridov:* The plans of the Hungarian Government were published in the newspapers on the 8th and 9th of April. We know that the Hungarian Government has been taking certain measures, but they are having no effect. They are improving the food situation and they believe that the people will be able to wait for the new crop without harm. They have completed Trade Agreements and have taken some other steps. The Allied Control Commission cannot take the place of the Hungarian Government. They must work out their own plans. We have no right to ask them about this.

*General Key:* I believe we have a right to learn what the Hungarian Government is doing to meet their obligations in fairness to their own people and to the Three Powers concerned; if their money is worthless, it is our business to find out why.

<sup>231</sup> Nagy, Ferenc (1903-1979), Prime Minister 1946-1947. He was forced to emigrate in 1947. In connection with his life and political activity, see Ferenc Nagy, *The Struggle behind the Iron Curtain*. The Macmillan Company, New York, 1948.

<sup>232</sup> Rákosi, Mátyás (1892-1971), Deputy Prime Minister and Secretary General of the Hungarian Communist Party, Prime Minister 1952-1953, after the 1956 Revolution lived in the Soviet Union.

<sup>233</sup> The Communist Daily Szabad Nép published the Hungarian Government's economic plan on 7 April 1946.



The ACC has an interest in knowing whether there are economic plans to pull Hungary out of the present sad state of national economy and financial inflation.

*General Sviridov:* All plans have been published and I know nothing more than I read in the newspapers and I am told that they have no other plans they have not published.

*General Key:* Then we must be worrying about the Hungarians more than they are worrying about themselves. Let us take up the next question.

*General Sviridov:* The third question is the transfer of German assets to the Soviet Government.

*General Key:* My Government is a Party to the Potsdam Agreement and they know that the German assets are to be transferred to the Russians. There is no question about this, but frequent reports reach me that certain property, which is claimed to be of German ownership, has been taken over in the name of the Allied Control Commission. My point is: that the Big Three ordered this transfer and I do not think it is necessary to issue orders in the name of the Allied Control Commission. This should be done by the Hungarian Government and not at the direction of the Allied Control Commission for Hungary. If these decrees awarding property are being issued by the Allied Control Commission we should be furnished copies of them and I would like to have copies of all the Hungarian decrees in which the Allied Control Commission is named.

*General Sviridov:* I do not know of any instructions issued in the name of the Allied Control Commission. In some cases the Chairman of the ACC spoke to the Hungarian Government as a representative of the Soviet Government but not as the Chairman of the Allied Control Commission; there must be some mistake. I would like to add that all documents concerning German property are investigated carefully by a committee of the Hungarian Government and have been referred to the Supreme Economic Council<sup>234</sup>. This Council re-investigates and comes to a definite conclusion. This work has been going on for months. It seems to me that it is unnecessary for the Allied Control Commission to re-investigate them. However, if certain property is awarded through mistake, the damage is not irreparable. Mistakes will occur but if the property belongs to the nationals of other countries the Soviet Government will do the right thing as for example, the Ford Motor Company, Budapest, and the Standard Electric Company. We know that 14.8% of the shares which were given to the Soviet Government of the Standard Electric Company were later found out to be 100% U. S. owned and I am sending a special letter about this to General Key.

*General Key:* I have no complaint on that score and feel the Soviet will rectify all mistakes willingly, but what I am trying to point out is that the Hungarian Government issues directives in the name of the ACC regarding these cases of German property transfers and such does not in any way concern the ACC and they should be told to stop it.

<sup>234</sup> The Supreme Economic Council (Gazdasági Főtanács) was the main coordinating body in the Hungarian economy from 1945 to 1949 under the presidency of the Prime Minister and with the participation of the Minister of Industry, Minister of Transport, and later the Minister of Finance, Minister of Public Supply and the President of the National Bureau of Planning.

*General Sviridov:* And you have a document with that?

*General Key:* Yes. (Shows and reads section of the document indicating that it was issued on behalf of ACC).

*General Sviridov:* It was a mistake. It will be rectified.

*General Sviridov:* Next question 4 (U. S. Agenda)<sup>235</sup>. So far the ACC does not have such information, and neither has the Hungarian Government. It intends to make such census. When completed, it will be given to General Key.

*General Key:* (To General Edgcumbe) Do you have any question on this?

*General Edgcumbe:* Yes, the Special European Railway Commission would like to have this information as soon as possible.

*General Sviridov:* All right.

*General Key:* Has any instruction been given to do so to the Hungarian Government?

*General Sviridov:* No, but they are doing that themselves.

*General Edgcumbe:* If I remember rightly, it was stated once before that such census was being taken. On December 28th we were told it was being taken.

*General Sviridov:* That was a mistake. The census being taken then was by the Red Army and not, of course, complete. It is necessary for the Hungarian Government to hold a census of its railway rolling stock.

*General Edgcumbe:* Can I suggest the Chairman give directions to hold the census?

*General Sviridov:* I will talk to the Head of the Hungarian Railways about it.

*General Sviridov:* The next question 6 (U. S. Agenda) relates to the Political Police.

*General Key:* I brought up this question because it appears to me that there are too many police in Hungary and I would like to know what they are being used for.

*General Sviridov:* The Hungarian Police consists of 37,000 men under the direction of the Hungarian State under the Minister of the Interior. No other Ministries have police. All we know is that the Hungarian Government finds it needed such number and kinds and the ACC has not felt any particular interest. Their Duties are to safeguard the democratic order of the Hungarian State. There are general police, economic police and political police.

*General Key:* As they have reduced the strength of the army, do not you think that they should reduce the strength of the police force?

*General Sviridov:* It is possible to bring this up before the Hungarian Government.

*General Key:* I do not understand the need for political police. We have no political police in the United States and we are a country of 140,000,000 people. Hungary has about 9,000,000 people and 37,000 police, most of which are political.

*General Edgcumbe:* I agree with General Key. I think they should be directed to reduce the strength of the political police. They are much larger than the army and the political police serve no useful purpose.

*General Key:* They need more farmers and less policemen.

*General Sviridov:* We will give instructions to the Ministry of the Interior to consider a reduction.

<sup>235</sup> In the U.S. Agenda for this meeting General Key raised the question of the inventory of railroad rolling stock in connection with the census of ECITO. He pointed out that despite his repeated efforts the report had not been submitted by the Hungarian Government. 711.9 Allied Control Commission, Record Group 84, Budapest Legation Files, NA, Washington, D.C.

*General Sviridov:* The next question concerns the Schwabs. According to the ACC data, 41,519 Hungarian Schwabs have been expatriated as of 22 April. 45 trains were sent out. The Hungarian Government had decided to carry on the further movement more quickly. They request that the American military authorities consent to the dispatch of two trains per day. We have no information regarding complaints and the Ministry of Home Affairs has no such complaint. I should be grateful if you would give me the details of any such complaints.

*General Key:* I shall wire my people regarding the plan of two trains per day for this movement.

*General Sviridov:* The next question concerns the status of the navigation on the Danube. I ask General Key to make the question clearer.

*General Key:* We would like to know about this announcement about free Danube navigation. If true, we would like to be advised of such important announcements. I assume it was done on behalf of the ACC. I would like to know in order to inform my Government about such important facts. (He asked Captain Hrulev, Red Navy, about the matter).

*General Sviridov:* I wish to state that the ACC has never made any statement to the effect that the Danube has been declared free for navigation. And I wish to state that it is not the function of the ACC to establish the condition for travel on the Danube.

*General Key:* Whose responsibility is it to control navigation on the Danube during the Armistice?

*General Sviridov:* The ACC does not do that. I know that the Hungarian fleet is now within the boundary of Hungary and that the Yugoslav ships are in the Yugoslav area, but there is no single authority for the whole of the Danube. The only thing that has been published is that the Danube in Hungary is free from mines.

*General Sviridov:* The next question concerns the use of American property by the Hungarian Nation for reparations.

*General Key:* I raised this question because it is the position of my Government that American firms should be permitted to retain a portion of their production for commercial purposes. This relates particularly to the Standard Electric Company of New York. Unless they are permitted to obtain a certain amount of foreign currency by selling a certain amount of their products to the public, they will not be able to keep their plant going.

*General Sviridov:* It is not clear what companies are concerned and what portion they wish to retain. We know that U. S. industries are partly employed for the Hungarian Government and partly on reparations. If these companies are not satisfied, they can make a claim on the Hungarian Government to revise their demands. The ACC is not concerned with this question as it is a problem to be worked out between Americans and Hungarians. It will be necessary to know what companies are involved and what is a satisfactory solution.

*General Key:* Only two or three companies are involved, such as the Standard Electric Company, MAORT Oil Company. All their products are now going to the Hungarian Government on reparations. It is necessary for these factories to replace machinery. They have to have foreign currency or a portion of their production to sell in the open market to get foreign currency to pay for replacement of

machinery and for purchase of raw materials. I will tell the American companies to propose to the Hungarian Government to pay in foreign currency or to keep a part of their products, otherwise in a few years the plants may be beyond repair.

*General Sviridov:* Are they not receiving payment for their products?

*General Key:* Yes, but they are being paid in Pengős and you can not buy anything with Pengős outside of Hungary and not much here. It pays the labor but it will not buy machinery.

*General Sviridov:* We can not settle that here. It should be taken up by the company and the Hungarian Government.

*General Edgcumbe:* I would like to go into this further.

*General Sviridov:* We can not decide to settle this question. It must be decided by the Hungarian Government and the affected companies.

*General Sviridov:* The next question concerns articles appearing in Hungarian newspapers critical of the British. I would like to know what newspapers have shown an unfriendly attitude.

*General Edgcumbe:* I wrote letter 973 of 12 March and if the General desires I would like to go over the letter with him and discuss it with him in person. I add that there is plenty of criticism between ourselves and we do not like such things, but here in Hungary under the Armistice the newspapers should not be allowed to distort facts<sup>236</sup>. We believe in freedom of the press and rightful criticism but when facts are distorted such should be stopped, even by suspension of the paper. When facts are distorted, I feel that we should take up the matter here; if necessary, suspend the newspaper by ACC orders.

*General Sviridov:* Your letter was sent to Marshal Voroshilov and he gave definite instructions that the editor of the Szabad Nép<sup>237</sup> be warned. Besides, Rákosi, as the head of the Communist Party, was warned.

*General Edgcumbe:* Thank you very much.

*General Sviridov:* The next question concerns identification documents for use of military and diplomatic personnel.

*General Key:* These documents were taken up and no new ones have been issued.

*General Sviridov:* I received instructions from the Soviet military authorities regarding passes needed for movement in Budapest and Hungary in general. There is no need for Budapest passes. It is permitted in Budapest to move from 5:00 a.m. to 1:00 a.m.

*General Key:* I am afraid of complications in the country because your soldiers like to see documents.

*General Sviridov:* As regarding outer areas, the Soviet High Command has requested special trip passes be issued through request on General Levushkin who will issue and sign them immediately and there will be no cases of denial. Persons

<sup>236</sup> The Armistice Agreement only stated that the publication, introduction and distribution in Hungary of periodical or non-periodical literature, the presentation of theatrical performances or films [ ] would take place in agreement with the Allied (Soviet) High Command. See Annex A.

<sup>237</sup> Editor of the Szabad Nép was József Révai (1898-1959) that time. Later he became Minister of Public Education (1949-1953). After the 1956 Revolution Révai fled to the Soviet Union.

who are not permanently on the Military and Diplomatic Missions, or correspondents, have no business wandering about Hungary, so their passes will be harder to obtain.

*General Edgcumbe:* Suppose I wanted to go to the Balaton<sup>238</sup> on Sunday morning, could I get a pass on Sunday morning?

*General Sviridov:* Yes.

*General Key:* This arrangement is most unsatisfactory to me. We have been here a year and I can not understand why these restrictions on permanent personnel are being imposed upon us after all this time.

*General Edgcumbe:* I agree. The Marshal stated that it was only necessary to telephone and report where we are going and it will be very inconvenient to go to all this trouble.

*General Sviridov:* Well, my officers must have movement orders when they travel, but I have no control over the regulations of the soviet High Command. There will be no great trouble and getting the special trip passes will insure against being disturbed.

*General Edgcumbe:* Why not give us a permanent pass stating that the bearer has permission to visit anywhere in Hungary?

*General Sviridov:* I think it will be more convenient for you to have passes.

*General Edgcumbe:* The simple way would be to issue a permanent pass to travel anywhere in Hungary.

*General Key:* I am very sorry to hear about these restrictions. We have been getting along well together and there have been only few incidents over passes.

*General Sviridov:* The Russian soldiers feel no inconvenience. Every officer must have a movement order when he travels.

*General Key:* This indicates to me that there is some reason you do not want American and British personnel to circulate around Hungary. We have worked together a long time and we ought to become friendlier. Now it seems we must have passes to go even to the Balaton area. Instead of working more closely together, we are being further restricted.

*General Sviridov:* I do not consider it a restriction; no one says you can not go, merely that an appropriate pass be issued. I can tell you to go without any passes, but I can not tell where or when one is to be stopped.

*General Key:* I wish to enter a protest against this action. Our respective Governments are working together trying to rebuild a war-torn world and set an example in cooperation and yet our little group here is being annoyed with petty restrictions that tend to cause friction and make us lose sight of the big issues before us.

*General Sviridov:* The next question is raised by me. It concerns the location of residences in areas near our troops. The Soviet High Command has set aside certain areas in Budapest where the troops are to be stationed, and in these areas some of the foreign representatives, American and British, have rented villas. This creates an inconvenience to our troops. The Soviet High Command has asked me to remove the foreigners in these areas and if they are not moved, it will lead to incidents. For example, in the 12th District there are two houses

<sup>238</sup> The largest lake and resort in western part of Hungary.

in a military area occupied by the Soviet High Command. The military commander has asked them to move to a neighboring district and the town mayor will provide comparable quarters.

*General Edgcumbe:* Until I investigate this, I will not promise to give the house up. I can not see why one house will make any difference. We are members of the ACC, which is supposed to be controlling the country, and I can not see why the Red Army will expect us to give up any house.

*General Key:* I cannot see why the Military Command should insist on one house. After all, the ACC has come here to control Hungary and its personnel have been housed there and it seems unreasonable now to change them. I will investigate and let the Chairman know.

*General Sviridov:* Another example is the Balaton area. Mr. Palmer, the Secretary at Mr. Schoenfeld's Legation, has rented a villa at Tihany and this area is densely populated with Russian troops and the High Command asked that no foreigners reside near them. I would like you, General Key, to tell Mr. Schoenfeld to have Mr. Palmer get another villa in some other place. There are other examples but I do not have the definite information on them. But if some of your officers wish to rent villas in Budapest it will be necessary for them to give notice to General Levushkin in order to avoid incidents and he will say whether it is possible for them to rent this place. In this way we can avoid serious incidents. I also ask you, General Key, to ask Mr. Schoenfeld to have Mr. Palmer move and inform him about the new order regarding residences in Hungary. And I ask General Edgcumbe to inform Mr. Gascoigne of these restrictions in order to avoid incidents. It should not cause any trouble.

*General Edgcumbe:* I do not see why our people should move. I will also investigate and report on the matter.

*General Sviridov:* (Another Soviet question). This refers to General Edgcumbe. The British Bulletin is sent to provincial press offices and to private Hungarian persons. (Shows General Edgcumbe copies of the British Bulletin). The Americans do not have such bulletins and why should the British send them around?

*General Edgcumbe:* Well, these bulletins are distributed because English newspapers do not circulate in this country, and this bulletin is an extract of articles in the English press which I receive over the regular BBC broadcast.

*General Sviridov:* Maybe General Key also sends them.

*General Key:* No, but it gives me an excellent idea.

*General Edgcumbe:* If you see anything objectionable in them, I would like to discuss it with you.

*General Sviridov:* I know that General Key does not send them to the provinces.

*General Key:* I do not know what the diplomatic group does in this connection.

*General Sviridov:* Russia does not distribute bulletins.

*General Edgcumbe:* All of the Hungarian papers are full of extracts from the Russian papers.

*General Sviridov:* That is because all of the city officers have a radio and listen to the Russian broadcasts and they publish these because they consider them important.

*General Sviridov:* Please tell Mr. Gascoigne that the American press representative does not send such and it will be better if such is not done as it will only bring

up feelings over articles which criticize the Soviet, etc. If, for example, the Americans issued one, also the Russians, there would be so much that we would find all sorts of situations that would not be for harmony, etc.

*General Edgcumbe:* I will pass the word on to Mr. Gascoigne as I am not prepared to answer for him, but I think it would be a mistake to stop the issue. My opinion of his reaction is that he will inform my Government which in turn will take it up with Moscow.

*General Sviridov:* I would like you to transmit a message to the press not to send any more bulletins as the Americans do not issue them and the Soviets do not here, so the British should not do so. Now I ask you to turn this message over to Mr. Gascoigne as it violates Article XVI of the Armistice. These bulletins are offensive because they emphasize unfriendly point of view concerning the Soviet Government. If the Americans issued the bulletins they would criticize the Russians and all we could do is issue a bulletin to criticize the Americans and British.

*General Edgcumbe:* I will pass this message on, but I do not know what the Legation will do. I suppose he will have to discuss it with his superiors in England.

*General Key:* I do not want to offend General Edgcumbe because he can take care of himself, but I want to say that I am sorry that you have put the matter in this way as it appears that the British are being punished because we have not been distributing a news sheet. I think if it were stopped it would be a form of censorship against an Ally and would be misunderstood.

*General Sviridov:* I do not see any violations of the Freedom of the press. We will be on the same basis by not issuing them. Such bulletins may only bring unfriendly relations between the Allies. The Hungarian people are listening to the radio from all over the world and make up their mind from that. Can you imagine all three of us striving to furnish them news from our sides.

*General Edgcumbe:* I cannot see any harm in such bulletins personally, and I will pass on the word to Mr. Gascoigne.

*General Sviridov:* I do not see that there is any violation of the freedom of the press if you were prohibited from sending these bulletins to the press. These comments from the British newspapers are paving the ground for unfriendly relations between the Soviets and Americans and British. If this is on the radio, the Hungarians can hear it but if it is printed in the newspapers it is emphasized too much.

*General Edgcumbe:* When I forwarded my letter of the 12th of March the Chairman asked me later what was it I found fault with in the articles in the Hungarian press. I told him I notified him specifically in that letter. Now, he has made a statement that he criticizes some articles and I would like him to mark some specific, objectionable parts so I can give them to Mr. Gascoigne for him to see just what is involved.

*General Sviridov:* I will do so<sup>239</sup>.

*General Key:* There is still my question 7 which we haven't taken up.

*General Sviridov:* Just what do you mean in this article?

<sup>239</sup> Despite Sviridov's demand, this question was never raised again and the British Mission continued to distribute their bulletin.

*General Key:* It is reported that censorship is being exercised over the press and radio in the name of the ACC and I want to find out about it<sup>240</sup>.

*General Sviridov:* I am informed that the representative of the Hungarian Government, the Chief of Information, Mr. Ortutay<sup>241</sup>, has given orders that all manuscripts of press articles and radio talks be sent him. Some speeches were delivered which were not in line with Hungarian democracy and General Sviridov has authorized Mr. Ortutay to censor them. Then there were some telegrams for abroad, which stated:

1. The Hungarians have been allowed to establish a 100,000-man army.
2. That Red Army has taken property, etc.
3. That Russians --- [sic]!
4. That Russians demanded removal of all American flags in Budapest.
5. That Russians break into American houses.
6. That General Sólyom was appointed Minister of Defense, that he is a Russian. I do not know of any such person.
7. That another, General Pálffy<sup>242</sup>, is organizing troops with permission of ACC.

Such information the Hungarians have tried to prevent from sending by telegram. I had to spend much time in disproving them when the articles appeared in the foreign press.

*General Key:* My Government's policy of freedom of the press is well known everywhere.

*General Edgcumbe:* I want to advise that the Members of Parliament who have been permitted to enter Hungary will enter tomorrow.

*General Sviridov:* Regarding a matter for General Key, there is the case of Ray John Walters, whom you want to enter Hungary, and there was no clearance given. When learning about his status as an associate member of your staff, clearance was promptly given. It was due to lack of information that the first request was not approved. Since we have nothing further and all are tired, we will adjourn - at 15.45.

*General Key:* When you talk to Marshal Voroshilov, please convey my best wishes for his recovery and early return to Budapest.

711.9 Allied Control Commission, Record Group 84, Budapest Legation File; NA, Washington, DC.

<sup>240</sup> The Soviet Military Mission, according to the report by the Special Assistant Frederick T. Merrill of the U.S. Mission, established a liaison section on March 4, 1946 located in the offices of the Hungarian Radio and the Hungarian Telegraph Agency in the name of the Allied Control Commission for the supervision of radio programs and news releases. This unilateral action was based on Soviet dissatisfaction with certain pro-Anglo-American journalists and meant direct Soviet control over these agencies. 711.9 ACC Hungary, Record Group 84, Budapest Legation Files NA, Washington, D.C.

<sup>241</sup> Ortutay Gyula (1910-1978), ethnographer, President of the Hungarian Radio 1945-1947, Minister of Religion and Education 1947-1950.

<sup>242</sup> Pálffy György (1909-1949), first Secretary of the Military Committee of the Hungarian Communist Party, then Lieutenant General and Inspector General of the Hungarian Armed Forces from 1948. On charges of treason, he was arrested and executed in 1949, and rehabilitated in 1955.

26.

Conference of 20 May 1946

General Key's memorandum of an ACC meeting concerning the reorganization of the Hungarian Armed Forces and the Police, prisoners of war and displaced persons, relief supplies to Hungary, etc., dated 20 May, 1946

United States Military Representation  
on the  
Allied Control Commission for Hungary

OUTGOING MESSAGE  
Precedence: Routine  
Classification: Restricted  
Originating section: Chief  
Name of officer preparing: Major General William S. Key  
Date, time: 20 May 46

Subject is informal conference of ACC. (Key to warcos for OPD and JCS.) An informal meeting of ACC was held today. Following subjects were discussed:

A. Acting Chairman presented a request from Hungarian Government for approval of reduction of Hungarian Army, from approximately 28,000, to 25,000 members. I pointed out that this reduction was arbitrarily authorized by Marshal Voroshilov at the regular meeting of the ACC on 15 November 1945<sup>243</sup> after the U. S. and British representatives had asked for an opportunity to study the proposal before voting on it. The acting Chairman, General Sviridov, stated that the Marshal did not direct the reduction as stated at that time. The proposed reduction at this time was approved unanimously. The acting Chairman stated that the minister of defense had informed him that plans would be submitted shortly for a further reduction to 20,000, this in line with the general reduction of government employees.

B. Reduction of Hungarian Police as proposed by me at the meeting of 23 April. The acting Chairman stated that the Hungarian Government had prepared an order reducing the police by 5,000 members from its present strength of 37,000. I pointed out the increasing reports of interference by the Political Police with the selection and entrainment of Schwabian deportees and suggested that this program might be handled with less criticism by substituting Hungarian Army personnel for the political police. The acting Chairman asked that specific instances be reported whereupon the Hungarian Government would be directed to correct the situation.

C. German war criminals in British and U. S. occupied zones desired by Hungary for trial in Hungary. The acting Chairman promised to furnish U. S. and British representatives a list of names of these German nationals, together with statement of charges made against each by the Hungarian Government, upon receipt of which I agreed to forward the list to my Government for its decision.

<sup>243</sup> See document 14.

D. Delay in obtaining clearances for U. S. businessmen to enter Hungary and reasons for denial of proposed visits. The acting Chairman discussed at some length the great number of clearances granted to American and British nationals to enter Hungary, producing figures showing that 722 U. S. persons had been cleared to enter or depart from Hungary since January 1st and that only three per cent of the total number of applications had been denied. This small percentage, however, embraces category of U. S. businessmen and welfare representatives. I submitted a list of 32 names of U. S. citizens who had been denied clearance since January 1st without any reason given therefor. The British representative also protested about discrimination against British businessmen but, without results. The acting Chairman promised to review the list of denied applications and if possible reconsider some of them. He pointed out difficulties experienced by Soviets in obtaining clearances for their citizens to transit U. S. and British occupied zones in Austria and Germany. It is obvious that the Soviets do not want to encourage visits by U. S. and British business representatives.

E. The acting Chairman reported on article 6. of the armistice agreement pertaining to the return by Hungary of property of Yugoslavia and Czechoslovakia taken from those countries by the Hungarian Army during the war. A list of these supplies is being furnished.

F. The British representative discussed plans for repatriation of approximately 27,000 Hungarian prisoners of war and displaced persons from British zone in Austria and Germany. Approximately 200,000 Hungarians have been repatriated from the U. S. zones to Hungary and this program is now practically completed.

G. I raised the question of shipment of relief supplies to Hungary for distribution through private agencies referring particularly to the Soviet refusal to grant clearance for shipment of 250 tons of foodstuff by national catholic welfare society in U. S. for distribution by similar organization in Hungary. The acting Chairman modified his previous stand which was that they must be distributed under direction of the minister of welfare by stating that he had discussed the matter with the prime minister who had agreed to set up a committee to distribute this foodstuff in accordance with the wishes of the donor. The prime minister will be contacted in this matter, however, catholic authorities here have recommended to similar authorities in U. S. that shipment be turned over to UNRRA for distribution.

H. I proposed that the Hungarian Government be given positive instructions to terminate the illegal immigration of Jewish persons from Hungary to U. S. occupied areas in Austria and Germany. The acting chairman stated that many persons left Hungary with false identification papers but that he would again direct the Hungarian Government to make every effort to stop this practice.

The acting Chairman stated that Marshal Voroshilov was still ill and unable to return to Hungary but he was hopeful that his condition would improve and that he would return shortly.

Box 55, Record Group 338, ACC Hungary, NA, Washington D.C.

## 27.

*Conference of 6 June 1946*

United States Military Representation  
on the  
Allied Control Commission for Hungary

OUTGOING	MESSAGE
Precedence:	Urgent
Classification:	Unclassified
Originating section:	Military division
Name of officer preparing:	Lt. Colonel James D. Wilhelm
Date, time: 6 Jun	
Reference	No.: Z-3054

Subject is Schwab train H-4004 PD para.

References are your CC 6142 of 2 June CMA our Z-3018 of 4 June CMA USFA 9337 of 4 June CMA our Z-3041 of 5 June PD para.

At request of Soviets CMA meeting held today on chief of staff level on this subject PD Soviets refused to allow reentry of train into Hungary and report that colon 1. They will direct Hungarian Government to stop Yugoslav Schwabs' movements CMA 2. That pure Hungarian Schwabs will continue to be loaded and dispatched into Germany despite our blockade PD 3. That they will report our failure to accept Hungarian Schwabs as a violation of Potsdam agreement PD para.

Two hours after meeting Soviet ACC phoned that H-4004 was cleared to reenter Hungary PD we then informed Soviets that suspension of acceptance of expellee trains as stated in your CC 6142 was removed CMA but that no Yugoslav volksdeutsche would be received by you until matter settled PD para.

Again request reply to our Z-3018 of 4 June PD ends.

*Box 55, Record Group 338, ACC Hungary; NA, Washington D.C.*

## 28.

*Conference of 19 June 1946*

General Key's memorandum of an ACC meeting of 19 June 1946, concerning the formation of the Hungarian Freedom Party, the deportation of Schwabians, clearances, trial of German war criminals, etc.

United States Military Representation  
on the  
Allied Control Commission for Hungary

OUTGOING	MESSAGE
Precedence:	Routine
Classification:	Restricted
Originating section:	Chief
Name of officer preparing:	Major General William S. Key
Date, time: 20 Jun 46	

Subject is informal meeting of ACC held 19 June 1946, General Sviridov presiding in the absence of Marshal Voroshilov. Present in addition to Chairman were General

Levushkin, Soviet, General Edgcombe, British, Generals Key and Weems<sup>244</sup>, U. S., and interpreters. Principal subjects discussed were as follows:

1. Difficulties experienced by U. S. military personnel in travelling through Hungary by failure of some Soviet town commandants to recognize passes issued by Soviet Chairman of ACC. The Chairman pointed out that 183 travel passes had been issued to U. S. personnel over period of 45 days and only two or three cases of delay or inconvenience had occurred. He promised to direct all Soviet Army personnel to recognize these passes and facilitate travel of U. S. persons in the future.

2. Formation of a new political party reported in Budapest papers 7 June 1946 indicated that ACC had authorized such action<sup>245</sup>. The Chairman denied that he had taken any action on this matter in the name of the ACC, stating that the petition was presented to him and he discussed the matter with Prime Minister Nagy who was considering it. Upon receiving his recommendation the Chairman stated he would consult the British and U. S. representatives before taking action on the petition. I pointed out that we were not interested particularly in the formation of political parties but desired to be consulted on matters affecting ACC before public announcement was made of any action taken by it.

3. Detention by Hungarian Police of civilian employees of U. S. Military representation. The Chairman stated that the employee in question was released when the Hungarian Government learned of his status as an American employee. The facts are there was considerable delay in releasing this party even after the Hungarian Government was officially informed of his employment by the Military authorities.

4. Clearances for regular ATC<sup>246</sup> plane flights. The Chairman promised to take appropriate action to facilitate the clearance of two ATC flights weekly. He could not account for the scheduled flight for 18 June 1946 not being approved whereas the ones for 21 and 25 June 1946 had been authorized.

5. Clearances for American business and professional men to enter Hungary. This question was again discussed at some length and a list of names of personnel, which had been denied entrance, was considered. The Chairman stated that certain groups such as welfare workers, trade representatives, research and scientific personnel, would have to defer their visits until after the peace treaty. He promised to reconsider applications for visits of business representatives with substantial interests in Hungary such as petroleum, electrical communications, etc. The Chairman again pointed out that only three per cent of U. S. requests had been disapproved and over 700 had been granted during the past four months. It is evident that the presence of U. S. and British businessmen in Hungary is not desired by the Soviets. British

<sup>244</sup> Brigadier General George H. Weems, Chief of the American Military Mission after replacing Major General William S. Key.

<sup>245</sup> Dezső Sulyok Member of Parliament, after his expulsion from the Independent Smallholders' Party he formed the Hungarian Freedom Party in the middle of 1946. In 1948 he emigrated to the USA

<sup>246</sup> ATC: Air Transport Command

experience similar difficulty in obtaining clearances although their requests are considerably less than ours.

6. Report on Schwabian deportation. The Chairman was deeply concerned over our recent actions in suspending the movement of Schwabians from Hungary to U. S. occupied zones in Germany. It was again explained that this action was necessary due to the continued failure of Hungarian authorities to observe humane considerations in the selection and movement of these persons resulting in serious complaints from U. S. authorities in Germany particularly concerning the destitute condition in which many of them have arrived there. I stated that the movement would be resumed upon assurance by the Hungarian Government of full compliance with additional requirements from U. S. authorities in Germany that would be presented to it within a few days. (NOTE: Presentation of these requirements is being withheld pending confirmation requested in my Z-3150 of 19 June 1946). The Chairman criticized our action in returning a trainload of Hungarian-Yugoslav Schwabians which shipment he claimed was in accord with the Potsdam agreement<sup>247</sup>. These Schwabians had been evicted from Hungarian territory that reverted to Yugoslavia under the terms of the armistice agreement. They are now homeless people and are destitute.

7. The British representative presented several subjects for consideration chiefly affecting British property interests in Hungary. He also stated his Government's denial of the Hungarian Government's request for delivery to it of German war criminals for trial in Hungary, stating his Government's policy that German war criminals should be tried by the allied courts. He also asked for confirmation of a newspaper article that the ACC had proposed resumption of Hungarian-Turkish diplomatic relations. The Chairman denied any action by ACC on this matter. He also recommended early resumption of rail traffic between Hungary and outside nations. The Chairman stated this matter was being considered but regular traffic could not yet be undertaken, however, special shipments into Hungary were being authorized where rail facilities and the economic interest of Hungary warranted it. The British representative also discussed a proposal by the Hungarian Minister of War<sup>248</sup> that appropriate decorations be awarded to Allied Military representatives for distinguished services in connection with the liberation of Hungary. He indicated that his government would not permit its representatives to accept decorations from ex-enemy countries.

The meeting was conducted in an atmosphere of cordiality.

Box 55, Record Group 338, ACC Hungary; NA, Washington D.C.

<sup>247</sup> On 6 June a special meeting was held at the request of Soviet Mission of ACC dealing with the deportation of Schwabs from Hungarian territory which had been reverted to Yugoslavia. The American authorities returned the train but Russian officers refused to allow reentry of these people. Finally, the Soviets permitted to reenter the train of expellees. Box 55, Record Group 338, ACC Hungary, NA, Washington D.C.

<sup>248</sup> Tombor, Jenő (1880-1946), army officer. Minister of Defense 1945-1946.

## 29.

*Conference of 15 July 1946*

Minutes of a formal meeting of the ACC, dated 15 July 1946, where matters concerning the Hungarian Armed Forces, displaced persons and prisoners of war, the Hungarian currency, etc., were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

### NOTES

A meeting of the Allied Control Commission for Hungary was held at 02.00 hours on 15 July 1946 in the conference room of the Soviet Headquarters in Bajza utca, near Andrassy út, Budapest, Hungary.

The meeting was called to order by the Acting Chairman, Lieutenant General V. P. Sviridov, who presided in the absence of Marshal Voroshilov.

PRESENT WERE: *The United States Representation*: Brigadier General George H. Weems, Lieutenant Colonel Henry G. Simmonite and Major Edward J. Czerniuk.

*The British Representation*: Major General O. P. Edgecombe, CBE, MC, and Lieutenant Colonel P. C. Capron.

*The Soviet Representation*: Lieutenant General V. P. Sviridov, Major General I. I. Levushkin, Major General A. M. Kondratov and Lieutenant Colonel M. I. Cherkasov.

The discussion was substantially as follows, subject to any discrepancies in translation from the Russian.

NOTE: No agenda was prepared by the Acting Chairman, but the following proposed agendas were submitted by the British Representation and the United States Representation:

#### *British Representation*

##### 1. Estimates of Requirements under Article XI Armistice Terms

It has been requested that an estimate in detail of the various items of food required should be prepared by each Mission but it is not considered that this can suitably be done, as meals for the British Missions are provided by a Hungarian contractor under the orders of the Hungarian Government. Information has been submitted giving the number of persons for which meals are to be provided and the distribution to each house which should permit the Hungarian Government and their Hungarian contractor to estimate requirements of various items of food, and also to keep an adequate check on the supply of such items. Letter No. BMH/953 of 28 Jun refers<sup>249</sup>.

##### 2. Hungarian Army

Referring to the discussion on the 20th May<sup>250</sup> regarding the reduction of the Hungarian Army. It is desired to know what progress is being made and whether details

<sup>249</sup> Not printed

<sup>250</sup> See document 26.

of the reduction to 20,000 are now forthcoming. It is also requested that information be provided as to the main distribution of the Hungarian Army, at the present time, to locations throughout Hungary.

### 3. Hungarian Police

Referring to the Chairman's statement on the 20th May that the Hungarian Government were preparing to reduce the Police by 5,000, it is desired to know whether this reduction has, in fact taken place.

### 4. Deportation of Schwabians

It is desired to know what is the present position as regards the progress of deporting Schwabians to Germany.

### 5. DP's and POW's: Repatriation from Austria and Germany.

Particulars were sent to the Chairman in letter BMH/7/MIL of 19th June. It is considered desirable that the repatriation should take place as soon as practicable and that necessary train arrangements be made.

### 6. Hungarian Currency.

It is understood that a new currency is to be introduced about the 15th of July with a view to stabilization of the money situation. It is requested that any information forthcoming from the Hungarian Government on this subject may be provided.

### 7. British Property Lists.

Lists showing various items of British property in Hungary have been and are being passed to the Chairman, ACC from time to time with a request that they be passed on to the Hungarian Government. The last letter was BMH/401/ECON-FIN of 27 June, on which the last serial No. was 267. It is desired to make sure that the Hungarian Government are actually passing these lists to the Government department concerned with Article XIII.

8. British property included improperly by the Hungarian Government in Reparations to Yugoslavia.

This matter was referred to at the last meeting on the 19th June<sup>251</sup> and since then a note from the Hungarian Government has indicated that the position is not satisfactorily understood. The Hungarian Government note indicated that the action lay between the British and the Yugoslav Representations whereas it is the responsibility of the Hungarian Government to clear up this matter to the satisfaction of both Representations concerned. Letter BMH/401/ECON-FIN of 29th June refers.

### 9. Recent incident of shooting of members of the Red Army by Hungarian reactionaries.

It is desired to know in connection with Article XV of the Armistice Terms whether there are reasons to suspect the existence of any considerable reactionary organizations.

### 10. Prohibition of processions on Corpus Christi Day.

A letter has been received from the Bishop of Székesfehérvár complaining about the prohibition of the processions. This complaint has been forwarded to the Chairman, reference No. BMH/936 of 2nd July.

### 11. New Hungarian Political Party.

Referring to the information given by the Chairman at the meeting on 19th June that he had received application for permission for a new political party to be formed, it is requested that any further information on this subject may now be given.

<sup>251</sup> See document 28.

## *Addendum to the Agenda*

### 11. [sic!] New Hungarian Political Party.

Referring to Item 11 on the Agenda of 4 July, Hungarian newspapers of the 7th July state that the ACC has approved formation of a new political party to be headed by Dezső Sulyok. It is presumed that this announcement is premature in view of the discussion on this subject at the Meeting on the 19th June<sup>252</sup>.

### 12. Diplomatic Relations: Hungary - Switzerland.

The newspaper, "Magyar Nemzet", dated 7th July, states that the ACC has approved of these diplomatic relations. This matter has not been discussed at an ACC meeting and information is requested.

### 13. Trade Relations: Hungary, and Holland, Norway, Belgium.

"Magyar Nemzet" of the 7th July states that the ACC has approved these trade relations and information on this point is requested.

### 14. Census of Hungarian Railway Rolling Stock for E. C. I. T. O.

Referring to a Meeting on 23rd April<sup>253</sup> when the Deputy Chairman said that he would speak to the Minister of Transport about the census of railway rolling stock, information as to any progress is requested.

## *United States Representation*

1. A radio broadcast from Washington on 9 July 1946 mentioned a report from Budapest to the effect that Lieutenant General Sviridov had ordered the suppression of three Catholic youth organizations on grounds that they were pro-fascist in their activities and that the Soviet order also demanded Hungary lift immunity on two Members of Parliament who were charged with anti-Soviet political agitation<sup>254</sup>.

The U. S. Representation would like to have a copy of such a letter, if written, and sufficient details to ascertain whether this question was of sufficient importance to be discussed on a tripartite basis for presentation to the Hungarian Government.

### 2. Hungary's violation of orders regarding the movement of Schwabians.

We have been informed from Headquarters, United States Forces in Austria, that two trains loaded with Schwabs had been stopped at St. Valentin, in the Russian Zone, on or about 7 July 1946. Since these trains contained Schwabians from Hungary and were sent out by the Hungarian Government in contravention of the temporary suspension of deportation of Schwabians, it is requested that the Chairman of the Allied

<sup>252</sup> See document 28.

<sup>253</sup> See document 25.

<sup>254</sup> On 17 July, 1946 two Soviet soldiers were shot down by an 18 year old student in Budapest. On the pretext of having been a pro-fascist activity of some Hungarian youth organizations and politicians, General Sviridov demanded, in the name of the Soviet High Command, the dissolution of certain Catholic youth organizations (Boy Scouts, Catholic Agrarian Youth Association called Kalot, Young Men's Christian Association called KJE etc.), measures against the Catholic Church, the expulsion of rightist leaders from youth organization of the Smallholders Party, and suspending immunity and charging Members of Parliament László Gyulai, István B. Rácz and László Filler with instigating terrorist actions. The coalition government revised the activity of Hungarian associations and movements and suppressed many of them, but the Smallholders' Party was able to resist the expulsion of its right-wing politicians that time. Both the American and British military and political missions protested against the unilateral Soviet interference in Hungarian political affairs. See: FRUS 1946 vol. VI, pp. 318-326. See also: Nagy Ferenc, *ibid.*, pp. 237-240 and József Cardinal Mindszenty, *ibid.*, pp. 57-58, István Vida, *A Független Kisgazdapárt politikája*, Budapest, 1976, pp. 194-197.



Control Commission demand a prompt explanation of the circumstances surrounding the movement of these trains. A letter is being sent on this subject.

### 3. Repatriation of Hungarian nationals.

We have been informed by our Forces in Berlin of the inability to obtain clearance across the Soviet Zone of Austria for repatriation of Hungarian nationals now in Germany. We would like to be advised as to whether or not future Hungarian displaced persons trains will be granted clearance through the Soviet Zone of Austria and whether the stopping of the movement of these trains containing Hungarian nationals was on the request of the Hungarian Government or by action of the Soviet authorities in Austria.

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*GENERAL SVIRIDOV*: If it is agreeable, we shall first discuss the questions raised by the British Representation. The first question on their agenda concerns the requirements for the upkeep of the British Mission. General Levushkin has received a report from the caterer that has been forwarded to the Hungarian Government. I believe that this question is closed.

*GENERAL EDGCUMBE*: Repairs to the Mission's buildings are also included in the statement but I do not believe should be there.

*GENERAL SVIRIDOV*: The Hungarian Government had requested this information in order to prepare the budget for the next year.

*GENERAL EDGCUMBE*: It is quite difficult in view of the status of Hungarian money to keep a check of what has been charged against the British Mission.

*GENERAL WEEMS*: I would like to agree with General Edgcumbe that the repair of buildings should not be charged against the ACC but should be listed as an asset of the Hungarian Government.

*GENERAL SVIRIDOV*: In the future the Hungarian Government will be instructed to list repairs on buildings as chargeable to themselves and not to the ACC.

*GENERAL SVIRIDOV*: As to question two referring to the Hungarian army, I consider this is no longer important as the peace terms in all probability will fix the strength of the Hungarian army. We are therefore not carrying on any further discussions as to any reduction below 25,000. They hope to cut down the strength of the army to that figure by August, but we are not pressing the matter.

*GENERAL EDGCUMBE*: We have had no details on the army, that is, no data as to the location of the 25,000 men. It would be rather interesting to know this.

*GENERAL SVIRIDOV*: I do not have the exact details.

*GENERAL EDGCUMBE*: It is not of any particular importance now. If they finish their reduction to 25,000 by August there is no particular reason to worry about the matter.

*GENERAL SVIRIDOV*: We will proceed to the third question, the reduction of the Hungarian police. Several days ago the Chief of Police, Balassa Lajos, paid a courtesy visit to me and I raised the question as to reduction of the police. I was told that they are proceeding with the matter and hope to complete the reduction by August 1st. They do not know the exact figure, but it will probably be 5,000. Due to the economic situation the reduction may be more than 5,000. As soon as the reduction is complete you will be informed.

*GENERAL SVIRIDOV*: The fourth question on the British agenda deals with the Schwab expulsion. This has also been placed on the agenda by the American Representation. The expulsion of Schwabs was halted by the American authorities pending the receipt of new instructions. Last Friday we received these new instructions which have been forwarded to the Hungarian Government. The expulsion of Schwabs has been halted but two trains are still rolling back and forth in Austria as they have not received American clearance. I had informed the ACC Austria that United States authorities had agreed to receive these two trains; that is why they were accepted by the Austrian Railways. What will happen to them, I do not know. I recommend that the two trains be accepted and further deportations be halted until an agreement can be reached on the new requirements. Since the Austrian Railways agreed to accept the trains, I permitted them to go. If I had known what I know now I would not have ordered them out.

*GENERAL WEEMS*: The Chairman of the ACC and the Hungarian Government had been informed of the temporary suspension of the Schwabian deportation some weeks ago. The U. S. Representation had no information of the loading or the moving of these two trains until we learned from an outside source that two trains were in transit in Austria, whereupon I immediately notified the Chairman of the ACC to pass the information to the Hungarian Government that they were jeopardizing their own welfare by sending trains out without proper clearance from United States authorities.

*GENERAL SVIRIDOV*: I would like to remind you, General Weems, that I telephoned General Key and you, through Major Czerniuk, regarding the new instructions so as to ascertain definite reasons why they were being halted. Then an officer from your Mission went to Berlin and you went to Frankfurt, and we still received no instructions. I had little to say to the Hungarian Governments, but in the meantime they loaded these two trains and sent them forward. There are 300,000 Schwabs still here and I do not think the two trains would make any difference in the United States Zone.

*GENERAL WEEMS*: Can you tell me when the two trains were loaded and where, that is, approximately?

*GENERAL SVIRIDOV*: I do not know, but I will find out. It was in the vicinity of Sopron, about 200 kilometers west of Budapest.

*GENERAL WEEMS*: Can you say definitely that when the Austrian authorities cleared the trains for entrance that they knew they were loaded with Schwabs?

*GENERAL SVIRIDOV*: Yes. I interpreted General Key's instructions that trains already loaded would be accepted so I informed the Hungarian Government to send out the two trains as they were already loaded and could not be stopped. (Comment by General Weems: I believe General Sviridov was sincere in this statement but he had obviously been misinformed as actually the trains were loaded on 3 July in the vicinity of Bonyhád, about 200 kilometers south of Budapest, and had then proceeded to Sopron. I believe there was no collusion between the Soviets and Hungarians and that it was a deliberate and overt act on the part of the Hungarian officials handling the expulsion of Schwabs).

*GENERAL WEEMS*: If I knew when the trains were loaded I could speak more intelligently, that is a better answer could be given. If the trains were loaded about the time the suspension went into effect, or a little before or after, I would recommend

that they be accepted. I would appreciate it if the Chairman of the ACC would get the information as soon as possible in answer to the letter I wrote requesting the Hungarian Government to state the reasons behind the move of these two trains.

*GENERAL SVIRIDOV:* I will see to it that this is done.

*GENERAL WEEMS:* For the information of the other members of the ACC, I will state that the United States Representation did everything in its power to expedite the movement and I appreciate the patience of the Chairman of the ACC, that after so many calls he did not get the desired information, but the United States Representation could only act after complete instructions had been received from the authorities in Germany. Now that these instructions have been received we hope the Hungarian Government will not be as long setting up the new machinery as we were in obtaining the new requirements.

*GENERAL SVIRIDOV:* I have already received an answer from the Hungarian Government to the effect that it is not able to fulfill the American Government's requirements for the following reasons: First, each and every Schwab must have 500 Reichsmarks. Such an amount of Reichsmarks does not exist in Hungary and where the Hungarian Government can borrow them I do not know. Therefore that is one requirement that cannot be fulfilled. Perhaps the American authorities could give some idea as to where the Hungarian Government could borrow this money.

*GENERAL WEEMS:* I suggest the Chairman of the Allied Control Commission perhaps could tell the Hungarian Government where they can get the Reichsmarks.

*GENERAL SVIRIDOV:* I do not know the answer to that.

*GENERAL WEEMS:* For the information of the Allied Control Commission, I would like to state that the Czechoslovakian Government is furnishing 1,000 Reichsmarks per person. Our authorities cut down this amount to 500 for Hungary.

*GENERAL SVIRIDOV:* Perhaps the Czechs are wealthier than the Hungarians. At any rate, you have also asked that the Schwabs be supplied with clothing and shoes. This in effect requires the Hungarian Government to buy this clothing as the Schwabs do not now possess the required amount. If only 20,000 Schwabs were to be expelled this could be fulfilled, but there are 300,000.

*GENERAL WEEMS:* Did you say that there was a written reply from the Hungarian Government regarding these Schwabs in which they state that they are unable to fulfill the United States' requirements? If so, will we receive a copy of this reply?

*GENERAL SVIRIDOV:* The Minister of the Interior<sup>255</sup> and a representative of the Prime Minister called on me personally and expressed the opinion that the Hungarian Government could not fulfill these requirements.

*GENERAL WEEMS:* I request that the Hungarian Government reply officially in writing, stating their position.

*GENERAL SVIRIDOV:* I will so inform them.

*GENERAL WEEMS:* We cannot do anything until a complete statement of conditions as seen by the Hungarian Government is received.

*GENERAL SVIRIDOV:* I was under the impression that we could settle this matter at this meeting but since you need a letter I will so inform the Hungarian Government.

<sup>255</sup> László Rajk

*GENERAL EDGCUMBE:* I am also interested in this matter. It seems to me, looking through the requirements laid down by the United States authorities, that it might be thought that they require a lot from the Hungarian Government, but let me state for the record that the Hungarian Government raised the question as to the expulsion of the Schwabs and if they wish to get rid of them they must obviously fulfill any requirements demanded. The Americans and British didn't ask them to get rid of the Schwabs and therefore I wish to state that I believe the American position is quite right.

*GENERAL SVIRIDOV:* The former Prime Minister, Miklós Béla, brought up the question of the expulsion of Schwabs. I will inform the Hungarian Government to answer the letter.

*GENERAL SVIRIDOV:* The next question refers to the repatriation of DP's and former prisoners of war from Austria and Germany.

*GENERAL EDGCUMBE:* I received a letter which is quite satisfactory and I shall tell the British authorities to entrain and dispatch these people and inform them that the trains will be accepted.

*GENERAL SVIRIDOV:* In regard to question of the trains being held up, I wish to say that I took the matter up with the Soviet High Command and they state the reason for this is that the railways were overloaded and they had no choice but to delay the movement. However, the strain on the railways will soon be eased up.

*GENERAL WEEMS:* Then we may also expect the trains from the American Zone in Germany shortly?

*GENERAL SVIRIDOV:* Yes.

*GENERAL SVIRIDOV:* The sixth question relates to the new Hungarian currency<sup>256</sup>. I understand that the Hungarian Government plans to introduce a new currency called the "Forint" to take effect on the first of August. They have already started printing the Forint and coins are also being minted. They are also taking steps to insure the success of this currency reform, but as we say in Russia, we shall wait and see. The reform is seriously needed. That is all the information I have at my disposal.

*GENERAL EDGCUMBE:* We also say that in English, and I might add the word "hope".

*GENERAL SVIRIDOV:* The seventh question relates to lists of British property<sup>257</sup>. All lists received by the ACC have been immediately forwarded to the Hungarian Government, one copy being sent to the Prime Minister and the other to the Chairman of the Armistice Committee, General Pokorny<sup>258</sup>. The ACC is recording all the lists that have been passed to the Hungarian Government and we shall continue to do so in the future.

<sup>256</sup> The inflation of the previous Hungarian legal tender, Pongó, reached an extremely high point and lost its value by June-July 1946. The Hungarian Government could introduce new currency of stable value called Forint on 1<sup>st</sup> August 1946. The gold-cover of the new currency was 30 million USD, the gold reserve of the Hungarian National Bank that was taken by the Hungarian fascists towards the war and returned by the United States on 19 June, 1946.

<sup>257</sup> See: MOI, XIX-A-58 III, 1945-149/PB.

<sup>258</sup> General Pokorny, Hermann (1882-1960) army officer, Head of the Armistice Department of the Ministry of Foreign Affairs, Chairman of the Interdepartmental Committee of Armistice.

*GENERAL EDGCUMBE:* Thank you very much. If the lists are being passed on then the Hungarian Government must know everything that we want them to know.

*GENERAL SVIRIDOV:* The eighth question relates to British property improperly included by the Hungarian Government in reparations to Yugoslavia. I presume that you refer to property of the brothers Goldberger, the Hungarian Hemp and Jute Company, and the Lowden Textile Factory. These firms are either 100 per cent owned by British interests or also a large proportion of the stock is British owned. I wish to say that nothing has been taken away from these three concerns for reparations to Yugoslavia. There has been no dismantling for this purpose and a letter has been written by Eröss János<sup>259</sup> wherein he states that the action was a mistake. I will see that all steps are taken to insure that no British interests are violated. The Hungarian Government will substitute other plants for Yugoslavian reparations instead of these British plants.

*GENERAL EDGCUMBE:* You see, we had received a letter stating that if we had any objection to the removal of these plants we should discuss the matter with the Yugoslavian Reparation Committee. Of course this was complete nonsense and I therefore raised the protest to you.

*GENERAL SVIRIDOV:* The ninth item referring to the shooting of Red Army troops will be discussed at the end of the meeting as the Americans have raised the same question.

*GENERAL SVIRIDOV:* The tenth question refers to the prohibition of the Religious Processions on Corpus Christi Day<sup>260</sup>. I wish to state that there was no prohibition at all but only a requirement not to proceed on certain streets that were being used at that time by the Red Army.

*GENERAL EDGCUMBE:* Thank you very much.

*GENERAL SVIRIDOV:* The eleventh question refers to a new Hungarian political party<sup>261</sup>. In reference to this matter, I received a letter from the Hungarian Prime Minister informing me that he had agreed to the formation of this party as he considered it to be a party of liberty. Furthermore, all of the other political parties had informed the Prime Minister that they had no objections to it. My reply to the Prime Minister was that since he had permitted the party to be formed I had nothing to say and since it was agreed by everyone I treated the matter as one of information only and as Chairman of the ACC I merely acknowledged the information submitted.

*GENERAL EDGCUMBE:* I quite understand your explanation of what arose, but I put this question on the agenda because the newspapers reported that the Allied Control Commission had approved of this party. As I know nothing of the matter I thought the newspapers were premature and when I was asked if the ACC approved I could not answer. I therefore placed the question on the agenda to ascertain the facts.

*GENERAL SVIRIDOV:* I did not see anything in the newspapers but General Kondratov says he did.

<sup>259</sup> Eröss, János (1889-1962), President of the Reparations Office from February to November 1946, Minister of Public Supply from November 1946 to September 1947, emigrated to the USA in 1948.

<sup>260</sup> The usual Corpus Christi Day procession was not permitted on the customary route, only the side streets around the Cathedral were opened to the believers. Cardinal József Mindszenty, *ibid.*, p. 58.

<sup>261</sup> See footnote 245 and Földesi Margit - Szerencsés Károly, *A Színvesszős Ellenőrző Bizottság és a Szabadság Párt in Vissza a történelemhez*, Budapest, 1996, pp. 73-79.

*GENERAL SVIRIDOV:* Question twelve refers to diplomatic relations between Hungary and Switzerland. I received a letter from the Foreign Minister asking if there was any objection to the resumption of relations between Hungary and Switzerland and since the Hungarian Government had already resumed relations with other countries in the world I assumed that there would be no objection. As I did not consider it to be a matter of principle, I did not object.

*GENERAL EDGCUMBE:* I have no objection but I saw in the newspapers that the Allied Control Commission had approved the resumption of these relations and that is why I brought it up. I knew that we had not discussed the matter and I knew nothing about it and I am sure that General Weems did not.

*GENERAL SVIRIDOV:* I had it on my notes to bring it up at the ACC meeting today. That is the reason I hadn't informed you.

*GENERAL EDGCUMBE:* But when it comes out in the newspapers and I hadn't been informed I felt it my duty to place it on the agenda.

*GENERAL SVIRIDOV:* This relates to the same matter as question thirteen regarding trade relations between Hungary on the one hand and Holland, Norway and Belgium. I replied to the Hungarian Government that there was no objection as trade was being carried on with other countries.

*GENERAL EDGCUMBE:* In order to avoid a repetition of this in the future and the necessity of placing these matters on the agenda I would like to ask if it would not be possible to send a letter or a note or even have General Levushkin make a telephone call in order that I may be informed before it comes out in the newspapers. My people in England always ask me why I haven't informed them on matters of such importance.

*GENERAL WEEMS:* I agree that this would clarify the matter considerably.

*GENERAL SVIRIDOV:* I will inform you in the future. I had intended to tell you both today.

*GENERAL SVIRIDOV:* The fourteenth question relates to the census of Hungarian railway rolling stock. I regret to say that the Hungarian Minister of Transport<sup>262</sup> has not carried out instructions as to this census as he is awaiting the conclusion of the peace treaty before counting this rolling stock. At the moment he is engaged in sorting out railway rolling stock from other countries - Austria, Romania, etc. There are even 70 U. S. cars here. Until the sorting out is completed he will not start the census.

*GENERAL SVIRIDOV:* Now as to the United States' questions. The first one relates to the demand passed to the Hungarian Government by me in the name of the Red Army Commander<sup>263</sup>. Just before we started this meeting I received a letter dated 15 July from the British Representative but I have not had time to study it. I must stress, however, that the demands were received by me from the Red Army High Command and were not transmitted as Chairman of the Allied Control Commission. They did not emanate from the ACC and, therefore, no discussion on these demands can take place at a meeting of the ACC. I merely acted as a transmitting agency, or as you might say, a post office. According to General Weems' letter, he received a

<sup>262</sup> Ernő Gerő

<sup>263</sup> See footnote 254.

radiogram from Washington to the effect that I had demanded that three Catholic youth organizations cease operations. That is incorrect; I did not order their disbandment but the commander of the occupation forces demanded that they be disbanded.

*GENERAL WEEMS:* There is also the matter of the expulsion of the two Deputies of Parliament.

*GENERAL SVIRIDOV:* I can give no further information on this item today.

*GENERAL WEEMS:* In connection with what General Edgcumbe said a moment ago, I also regret that I was not able to send a letter earlier but I am now presenting this letter with my Government's views on the matter under discussion.

*GENERAL SVIRIDOV:* Thank you for the letter.

*GENERAL EDGCUMBE:* I would like to ask a question on this point. On the 23rd of April, at a meeting of the ACC, we discussed the Armistice terms item by item<sup>264</sup>. This included Article XV dealing with the suppression of fascist organizations. On that date the Chairman stated that Article XV had been fulfilled. Now it seems evident that it is being interpreted that Article XV was not fulfilled. I think that we ought to be informed fully on this Article at the earliest possible time as I had informed my Government that Article XV had been fulfilled and that there were no genuine fascist organizations in Hungary. Now the question seems to be undecided as the Soviet Army does not agree with the statement made at the meeting of the ACC. I hope that there will be an early meeting to discuss this matter in detail.

*GENERAL SVIRIDOV:* I will have to go into consultation on this matter and let General Weems and General Edgcumbe know when the matter can be discussed. I hope you will understand that the matter came up today without prior consultation.

*GENERAL EDGCUMBE:* I appreciate the short notice.

*GENERAL SVIRIDOV:* I suggest that the question stand until further information is received so that I can discuss it.

*GENERAL WEEMS:* I consider that questions two and three on my agenda have been covered, but I would like to raise one more question not on the agenda. We have set up a schedule of flights to bring mail and diplomatic dispatches from Vienna for Tuesdays and Fridays. These planes come direct from Vienna to Budapest along a specific corridor but in spite of my many letters of protest we are continuously having scheduled flights uncleared. For myself and staff we hope to get this question settled without involving Washington and Moscow, and I would deeply appreciate your personal attention on this question until the matter is solved. At two o'clock today the plane scheduled for tomorrow had not been cleared. This is a matter of personal inconvenience to my Command and to the American Legation.

*GENERAL SVIRIDOV:* Have the British experienced any difficulty in obtaining clearances?

*GENERAL EDGCUMBE:* Lately the planes have been cleared promptly.

*GENERAL WEEMS:* (Jokingly) It seems that we are being discriminated against. Let us see if we can get a standing operating procedure for flights on Tuesdays and Fridays from Vienna. This is in addition to the Command plane that must be flown to Rome, London, Paris or Berlin for specific purposes. These scheduled flights should

<sup>264</sup> See document 25.

be cleared for every Tuesday and Friday. The Command plane will come back at the time specified.

*GENERAL SVIRIDOV:* I do not recall when General Key's personal plane was refused clearance.

*GENERAL WEEMS:* That is correct to my knowledge. No clearance for our Command plane has been refused, but we have had many refusals for clearance for the regular scheduled flights.

*GENERAL SVIRIDOV:* How many British flights are cleared per week?

*GENERAL EDGCUMBE:* Two: one on Wednesday and one on Saturday.

*GENERAL SVIRIDOV:* General Weems, I will look into the matter and study it. In regard to the clearance of planes, the ground force commander cannot keep up with our clearance requests.

*GENERAL WEEMS:* It would seem very easy to guarantee a flight through a specific corridor on Tuesdays and Fridays.

*GENERAL SVIRIDOV:* I will guarantee two flights a week.

*GENERAL WEEMS:* That is to say two scheduled flights; that is all right. But if we want our plane to go to Berlin, for instance, for a conference on the Schwabian matter, or to Rome to bring back pay for our troops, or for any other specific purpose, we do not want to consider this as one of the two flights per week. We are requesting that there be two scheduled flights per week between Vienna and Budapest for the purpose of transporting mail, etc. In addition, we want to send our plane on specific missions. We shall give ample notice not only for the two scheduled flights but also for the flights of our own Command plane.

*GENERAL SVIRIDOV:* The flights of your Command plane have only been occasional, that is, once about every two weeks.

*GENERAL WEEMS:* Yes, but the scheduled flights should operate on Tuesdays and Fridays each week; the other flights of the Command plane will be in addition.

*GENERAL SVIRIDOV:* It is not within my authority to guarantee flights. It is the prerogative of the ground force commander. The more clearances for planes requested, the greater the difficulty to obtain clearance. There is no holdup in the ACC, but the requests must go to the ground force commander.

*GENERAL WEEMS:* It would seem to be a very simple matter to clear flights for Tuesdays and Fridays. Clearance for the Command plane would be requested in plenty of time to inform the ground force commander that it is an extra flight.

*GENERAL SVIRIDOV:* I will try to guarantee a flight on Tuesdays and Fridays, but I will have to request that clearance be requested for each flight.

*GENERAL EDGCUMBE:* There are two other points I would like to mention. One is the application for two MP's to enter.

*GENERAL SVIRIDOV:* This will be taken care of in the same manner as the requests for the other VIP's.

*GENERAL EDGCUMBE:* The other question relates to German war criminals. You will remember that I stated it is the policy of my Government not to hand over to the Hungarian Government any German war criminals for trial, but I would welcome the names and particulars from the Hungarian Government of these war criminals so that a course of action might be decided on each particular case at a later time.

*GENERAL SVIRIDOV:* If there are no further questions can this special meeting be adjourned?

*GENERALS WEEMS AND EDGCUMBE:* Agreed.

711.9 Allied Control Commission, Record Group: 84, Budapest Legation File; National Archives, Washington D.C.

### 30.

*Conference of 24 July 1946*

Minutes of an extraordinary meeting of the ACC where the anti-Soviet activities of certain Hungarian organizations were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

#### NOTES

A meeting of the Allied Control Commission for Hungary was held at 02.00 hours on 24 July 1946 in the conference room of the Soviet Headquarters in Bajza utca, near Andrásy út, Budapest, Hungary.

The meeting was called to order by the Acting Chairman, Lieutenant General V. P. Sviridov, who presided in the absence of Marshal Voroshilov.

Present were: *The United States Representation:* Brigadier General George H. Weems, Lieutenant Colonel Henry G. Simmonite and Major Edward J. Czerniuk.

*The British Representation:* Major General O. P. Edgcumbe, CBE, MC, and Major A. E. Englehardt.<sup>265</sup>

*The Soviet Representation:* Lieutenant General V. P. Sviridov, and Major General I. I. Levushkin.

NOTE: This was a special meeting called by the Acting Chairman of the Allied Control Commission in response to the request in my letter of 15 July 1946<sup>266</sup> and to the British Representative's letter of 15 July 1946, protesting demands made on the Hungarian Government by or through the Acting Chairman of the Allied Control Commission<sup>267</sup>. Reference should be made to my letter of 17 July 1946, subject "Protest on Soviet Directive to Hungarian Government." For full information, reference should be made to State Department files.

The discussion was substantially as follows, subject to any discrepancies in translation from the Russian.

*GENERAL SVIRIDOV:* General Edgcumbe has raised the question of the letter to the Hungarian Government and I would like for him to explain what he has in mind.

*GENERAL EDGCUMBE:* My Government received information that certain demands of a comprehensive nature which I specified in my letter had been made by you to the Hungarian Prime Minister regarding alleged fascist activities of certain

<sup>265</sup> Major A. E. Englehardt, Liaison Officer of the British Military Mission.

<sup>266</sup> See: FRUS 1946, vol. VI, p. 324-325.

<sup>267</sup> See footnote 254.

organizations. These demands seem to be quite important. In accordance with the terms of Article XV of the Armistice, the Hungarian Government had to suppress all fascist organizations and activities. The General will remember that on the 23rd of April we discussed the fulfillment of the terms of the Armistice and it was stated then that Article XV had been fulfilled<sup>268</sup>. I reported this to my Government so when they had information concerning these new demands they wanted to know what it was all about. Furthermore, they could not understand why such demands were made without being consulted as a member of the ACC in accordance with the Agreement at Potsdam whereby on all important matters all members of the ACC were to be consulted. My Government considered this demand upon the Prime Minister an important matter and accordingly I had to write and express my Government's views as they wanted to know all about this and they are calling upon me to report on the matter. I would be very grateful if the General could give us a resume of the situation.

*GENERAL SVIRIDOV:* (To General Weems) Probably you have some special matter to discuss on the same subject.

*GENERAL WEEMS:* My letter was written at the direction of my Government, and while my letter does not question the existence of fascist organizations it calls attention to the manner in which this question was unilaterally presented to the Hungarian Government by the Chairman without the consultation of the Commission. Since the question is open, I would like to have further information on the existence of these alleged fascist organizations.

*GENERAL SVIRIDOV:* As I understand General Edgcumbe and General Weems, there are three points for discussion. First is that on the 23rd of April [1946] at the ACC meeting<sup>269</sup> it was understood that it was stated Article XV of the Armistice had been fulfilled. The second point is information as to the existence of fascist organizations. The third is the question of why I didn't place the matter on the agenda for consultation with the other members. At our conference on the 23rd of April, which lasted six hours, we discussed the fulfillment of the Armistice terms by the Hungarian Government, including Article XV. It is my recollection that I said that the Hungarian Government was in the process of fulfilling this Article because they desired to do so because they had previously discovered such organizations. The Hungarian Government is now in the process of fulfilling this Article, but they have since discovered underground organizations and maybe they will find more in the future. I emphasize that we stated that the Hungarian Government was fulfilling Article XV. Probably General Edgcumbe remembers differently what was said at that time. What I say now is correct as I have my notes of that meeting and it was stated that the Hungarian Government desires to fulfill this Article and will do so to the best of its ability.

*GENERAL EDGCUMBE:* May I say one thing about our discussion at the meeting of the 23rd. I agree that it may have been stated in that manner, but I gained the impression that no fascist organization of any consequence was in existence and I did not expect anything very serious to arise, maybe some small organization but certainly nothing of this nature. There was no indication given then that we could expect anything as serious as this in the future.

<sup>268</sup> See document 25.

<sup>269</sup> Refer to document no. 25.

*GENERAL SVIRIDOV:* As I remember, in that conference we discussed matters from written documents and maybe in the translation into English this was not clear. General Edgcumbe may be right in thinking that no fascist organization existed but new facts have been discovered by the Hungarian Government as to anti-Soviet organizations, such as pistol clubs. Later I sent this letter from the High Command to the Hungarian Government demanding the dissolution of these organizations. The Hungarian Government has also dissolved other groups. My notes state, as to Article XV that all organizations which were existing then must present their charter to the Hungarian Government for consideration and that they must be registered at the Ministry of Foreign Affairs. The last part of the statement regarding Article XV says that the Hungarian Government is carrying on its duties in fulfilling Article XV and so I do not think we have any complaints. In order to summarize, I might state that the Hungarian Government was fulfilling Article XV on April 23rd and it has the desire to completely fulfill this Article, and they have dissolved organizations on their own accord without pressure from the ACC. Therefore, I can state that the Hungarian Government desires to fulfill Article XV. In Hungary there are a number of fascist and pro-fascist elements and they carry on propaganda against the USSR and other allies and it cannot be guaranteed that they will not take action against the Red Army. I wish to point out that this matter will be discussed not only today but in the future, and probably in the future the Hungarian Government will be demanded to dissolve organizations which are fascist and against the Soviet Union, but today we will state that the Hungarian Government is still in the process of fulfilling Article XV.

*GENERAL EDGCUMBE:* I would like to request a copy of these instructions given to the Hungarian Government in order to see what was stated and in this way the matter might be cleared up. I heard what the General said but would like him to give me an exact copy of the orders to the Hungarian Government, and I know my Government would like to see them. After I have seen the letter the question may not be quite so vague and I could know exactly what was ordered by General Sviridov.

*GENERAL WEEMS:* I should like also to make the same request.

*GENERAL SVIRIDOV:* I will comment on some of the facts stated in the letter. In order to give an exact copy I will have to consult Marshal Voroshilov. I understand, however, that some facts are already known by the British and the U. S. since seven points have been copied in General Edgcumbe's letter. If you do not know the entire text, I will ask Marshal Voroshilov to permit this letter being sent.

*GENERAL EDGCUMBE:* I only know a summary of the demands and am not in possession of the full text of the letter. It would clarify the matter if I could have the exact letter.

*GENERAL SVIRIDOV:* I would like to tell the facts which form the basis for the demands that were forwarded by the Soviet High Command to the Hungarian Government in my letter. In September 1945 to April 1946 such organizations as the KALOT<sup>270</sup>, KEDIUM<sup>271</sup> [sic!], and others formed terrorist groups to kill Russian soldiers in certain places in the country. They have already attacked Red Army soldiers and the

<sup>270</sup> KALOT: Katolikus Agrárifjúsági Legényegyletek Országos Tanácsa (Catholic Agrarian Youth Association).

<sup>271</sup> Erratum in the original text. The abbreviation of Kereszténydemokrata Ifjúsági Munkaközösség (Christian Democratic Youth Collective) was KEDIM.

police have taken arms and explosives from them. The heads of these organizations are mainly Roman Catholic priests. On the 17th of June in Budapest a member of the Cserkész (Boy Scouts) killed two members of the Red Army and wounded five others. He had previously been a member of the Levente<sup>272</sup>. The third fact relates to a special Cserkész organization called the Bajcsy-Zsilinszky Storm Troopers, the leaders of which were Szabó, Füst and Tóth, all being previously Hungarian officers. The same organization made raids on Red Army vehicles near Balaton. In the spring of 1946 this organization was found to be drilling and although you may not have seen them they were undergoing military training, including intelligence work and surveying. It finally came to the point that near Esztergom a group fired on Red Army barracks with rockets. Other soldiers have been killed in various parts of Hungary and from our investigation it was disclosed that the Boy Scouts were responsible. It was later found that all terrorist actions were by members of these organizations and it is also known that such organizations were anti-Soviet and were preparing recruits for cadres of officers and soldiers. The leaders of these organizations have been removed and by now they have probably been arrested. The above mentioned organizations have not been reorganized to now, although their former ideals still remain with the members. The basic principle of these organizations is to educate these members in the fascist spirit. Besides these groups, Catholic schools and high schools all have pro-fascist ideas. All these organizations have for their main purpose to fight the Red Army. These organizations were also in the Budapest University where their leader was a Catholic priest. These Catholic organizations were usually fascist or pro-fascist. During the investigation some Members of Parliament were found to be leaders of these groups, such as Gyulai<sup>273</sup>, Rácz<sup>274</sup> and Filler<sup>275</sup>. It is also known that Roman Catholic priests carry on anti-Soviet propaganda in Hungary. These Members of Parliament carried on propaganda against the Red Army in all of Hungary. It is possible for me to say a lot more, but these are good illustrations. That is why the Soviet High Command, in order to make their army safe, has taken steps as contained in the letter. The Hungarian Government has been informed of these demands in order that these few organizations may be dissolved and their leaders arrested. The Hungarian Government has already arrested some leaders that the Soviet High Command requested. The Hungarian Government could not challenge any facts that the Soviet High Command presented so they decided to fulfill the demands. I think that any military command would have done the same in order to protect itself. The ACC is now working in its second year and we have never had any case where demands of the British or the United States Governments were put on the agenda and discussed. As a rule we send demands to the Hungarian Government without any discussions or conference of the ACC, and it is considered that we did the correct thing in this case, and I can not see why the ACC should have the right to discuss the demands of the Soviet High

<sup>272</sup> Levente movement: Compulsory physical and military training for boys of 12-21 year of age. The organization was founded in 1921 to prepare young people for military service. During the fascist régime of Szálasi tens of thousands of Levente boys were dragged away from Hungary and forced to fight for Nazi Germany. The Levente movement was dissolved by the Provisional National Government in 1945.

<sup>273</sup> László Gyulai

<sup>274</sup> István B. Rácz

<sup>275</sup> László Filler

Command in this case. The American Government has also made demands on the Hungarian Government as in the MAORT Oil Company case and these letters were sent to the Hungarian Government and not acted upon by the ACC. It is not our policy to examine these demands. If the British demanded that British property in Hungary be protected by the Hungarian Government, such demands would be passed on to the Hungarian Government without discussion in the ACC. These practices have already been established and we will continue such practices. That is why the demands of the Soviet High Command were not discussed in the ACC. I think in the future, if such demands are put forward, the Chairman will pass them on to the Hungarian Government without discussion by the ACC. I personally think that my actions were correct when I sent these demands to the Hungarian Government without discussion or without placing them on the agenda<sup>276</sup>.

*GENERAL EDGCUMBE:* We have made no demands upon the Hungarian Government directly<sup>277</sup>. I would like to remind the General that I send letters to him and he passes the letters to the Hungarian Government. He is in possession of the letter and knows exactly what is in it before it is sent forward. However, the reverse is the case with the Soviet Section as the letters he sends are not forwarded to me. I am ignorant of any matter that is handled by the Soviet Section. We discuss the matter some times, but we do not get copies of the letters. The other point is that my Government and myself feel that this is a more important matter than anything that has been taken up heretofore and, therefore, this comes under a matter of principle. In a letter received last year Marshal Voroshilov said that when important matters arose they would be discussed. We consider this a most important matter and believe it should have been discussed beforehand. In summarizing I will say that first all of my letters go through the Chairman, but his letters do not go through me, nor do I receive copies of them. Second, my Government considers this a most important matter and one that should have been discussed beforehand.

*GENERAL SVIRIDOV:* I would like to read Paragraph 4 of the Statutes of the ACC. It says that all directives on all important matters are to be sent to the Hungarian Government by the Chairman of the ACC after previous consultation by the U. S. and British Representatives. This letter contained demands sent by the Soviet High Command and were not directives mentioned in the Statutes and I consider my action in accordance with the ACC Statutes. This was not an important directive to the Hungarian Government but a demand of the Soviet High Command. For example, let us assume that your government sent a demand to the Hungarian Government on a very serious matter. In accordance with this Statute I send this demand to the Hungarian Government without discussion at an ACC meeting and the Hungarian Government

<sup>276</sup> Paragraph 4 of the Statutes of the Allied Control Commission for Hungary provided that the directives of the ACC pertaining to the principal questions discussed, would be given to the Hungarian authorities by the Chairman of the ACC, after an agreement on these directives has been reached with the American and English representatives of the ACC.

<sup>277</sup> The British and American Military Missions, according to the Statutes, had no right to communicate with the Hungarian Government directly. Paragraph 6<sup>th</sup> of the Statutes provided that British and United States representatives would have the right "to communicate with the organs of the Hungarian Government through the Chairman of the Commission, the Deputy of the Chairman, or the Chief of the corresponding department".

must consider the demand because it is not our demand but a British demand and it is not our business to discuss the demands of any of our governments. Since the question was raised by General Edgcumbe and General Weems, I have gone into the matter thoroughly and I am not hiding anything. If another incident in the future arises, you will get information.

*GENERAL EDGCUMBE:* Nevertheless I think that the paragraph read from the Statutes does not agree with my interpretation. The way I read Paragraph 4, and the way my Government interprets it, I would have to place any serious demand on the Hungarian Government before the Chairman and we would discuss it and the General would be justified in saying that the letter should be worded differently, for instance.

*GENERAL SVIRIDOV:* In case such a demand on the Hungarian Government was made by the British Government and I wanted to discuss the matter the British Government would say that I was interfering because we do not have the power to discuss demands of our governments. If we should discuss such a demand of the British Government in the ACC, the ACC would be above the Government.

*GENERAL EDGCUMBE:* I do not want any misunderstanding, but what would happen, as I understand, would be that the Chairman would say it was not a matter for the ACC but that he would inform the Soviet Government and the U. S. Representation and ask agreement before it was passed on to the Hungarian Government. It all depends on how important a matter is and it is quite necessary that all be in the picture to know what is happening. Neither I nor my Government knew until the ACC had taken certain steps in this matter. All of the Hungarians believe that the ACC did this, and even if it is not so certain, misunderstandings arise among the people.

*GENERAL SVIRIDOV:* I want to emphasize the point that the letter, which was sent, was in the nature of a Russian letter because certain Red Army men had suffered and therefore Soviet interests were involved. If the U. S. and the British had been involved, then the nature of the letter would have been different. I am not hiding any facts in the case. I hope in the future incidents like this will not happen, but in this case I did not think that your interests were involved and I do not feel guilty before my colleagues.

*GENERAL WEEMS:* I appreciate the completeness of your discussions of the subject but I want to add that since the subject of fascist and pro-fascist organizations has been set forth in the Armistice, and since discussion on Article XV has taken place at a meeting of the ACC, it appears to my Government the matter clearly falls within the province of the ACC and it therefore resolves itself into the question of whether the matter is important or unimportant. My Government takes the position that Soviet demands require important action under terms of the Armistice to be taken by the Hungarian Government.

*GENERAL SVIRIDOV:* In the future discussions of such matters will be referred to the ACC. The point in this matter is that the High Command sent the demand to the Hungarian Government. In the future if the High Command asks me to discuss such matters in the ACC I shall do so, especially in cases where the matters are of interest to all of the governments.

*GENERAL EDGCUMBE:* As I understand it then, in the future we will consider such matters in the ACC. If any further matters as to fascist organizations arise and the Hungarian Government does not fulfill the demands, will the General then inform us so we can have a discussion?

*GENERAL SVIRIDOV:* I think that is possible. The Hungarian Government has promised to fulfill almost all of the demands made in the letter. How well they fulfill them is not known, but I will inform you.

*GENERAL WEEMS:* I would like to make one request of the Chairman. In view of the importance in which my Government holds this question under discussion, and because we may not get all the thoughts as expressed by the Chairman through interpreters, will the Chairman give me a reply to my letter of July 15th<sup>278</sup>?

*GENERAL SVIRIDOV:* Yes. I intended to do so and to the letter of General Edgcumbe.

*GENERAL EDGCUMBE:* My Government does regard this matter as important and they wish to know if more demands are to be made and I ask General Sviridov to let us know if he proposes to make more demands other than these before hand. This will avoid misunderstanding.

*GENERAL SVIRIDOV:* I do not believe the Soviet High command will have any more demands to make in this matter, but in case they do I will inform you beforehand. Let me bring up another point. The Hungarian Government has asked the ACC whether it is possible to establish diplomatic relations with Italy, Bulgaria and Romania, and also trade relations with Italy. I have already answered the Hungarian Government that I have no objections. The Hungarian Government also requests diplomatic relations with the Spanish Government in Exile of Giral in Mexico. We have no objections. Do you?

*GENERAL WEEMS:* We have no objections to the Hungarian Government having diplomatic or trade relations with Romania, Bulgaria and Italy, but my Government does not recognize the Spanish Government in Exile so I would like to reserve my views until a later meeting.

*GENERAL SVIRIDOV:* It is actually not practical to establish diplomatic relations with the Spanish Government in Exile as that Government does not have an army, etc. It is just a moral recognition or a gesture of goodwill.

*GENERAL EDGCUMBE:* I agree with General Weems as to Italy, Bulgaria and Romania, but my Government does not have relations with Giral. I shall inform them that I have no opinion in the matter.

*GENERAL WEEMS:* I have another question to bring up. This pertains to the matter of clearance of United States Government officials who desire to enter Hungary. I wish to cite the recent correspondence of 21 June and 17 July regarding the clearance of Mr. Erhardt and Mr. Denby who are now in Vienna. There has been great delay and one month has passed already and I want to point out that these officers of our Government wish to come to confer with my Mission or the Legation. I would like to know if the Chairman of the ACC will agree that these government officials coming into Hungary on temporary duty can be considered members of our respective staffs.

*GENERAL SVIRIDOV:* This question has been raised many times. When very important persons come to Hungary I must consult with the Soviet High Command and they make the decision as I cannot do so myself. I recall the case of Mr. Erhardt and Mr. Denby and I hope to have a reply in a day or so. General Edgcumbe also requested the entrance of three Members of Parliament and the Soviet High Command has just cleared them.

<sup>278</sup> In the letter referred to General Key protested against the unilateral action by Lt. General Sviridov regarding the dissolution of Catholic organizations. See PRUS 1946, vol. VI, pp. 324-325.

*GENERAL WEEMS:* I wish to call attention to Paragraph 6 of the Statutes as proposed by Marshal Voroshilov, which provided that the Representatives of the U. S. and Britain will have the right to determine the number and personnel of their Missions and I bring this up purely because of the delay.

*GENERAL SVIRIDOV:* That paragraph relates only to members of the Missions and not to outsiders who wish to consult the Missions.

*GENERAL WEEMS:* I would like to say my persistence is influenced by our Legation as they are unable to understand the reason for this extremely long delay in getting the clearance.

*GENERAL SVIRIDOV:* These clearances will be decided shortly, but I do not remember of any delay before. These businessmen and representatives who come into Hungary to sell pens or quilts must be passed on by the Hungarian Minister of Trade and he says that they have nothing to buy it with. If the businessmen were needed the Minister of Trade would request them, but there is no possibility of trade.

*GENERAL WEEMS:* We are off the subject of government officials, but now that you bring up business men I wish to mention my letter of some days ago stating that a large number of American business men with definite and considerable interests in Hungary have not been cleared, such as the MAORT Oil and International Telephone (Telegraph representatives).

*GENERAL SVIRIDOV:* All of the interests of these businessmen are being checked here. There is no refusal only delay. We have asked the Hungarian Government about their interests and find some of them had interests here ten years ago but do not have any now. I would be grateful if you could cut down the number of requests for clearances for so-called businessmen.

*GENERAL SVIRIDOV:* If there is nothing further, the meeting will be adjourned.

711.9 Allied Control Commission, Record Group 81, Budapest Legation File: NA, Washington D.C.

## 31.

*Conference of 7 August 1946*

Memorandum of an extraordinary meeting of the ACC on the supply of missions

### MEMORANDUM

9 August 1946

To: Chief of the United States Military Representation, Allied Control Commission for Hungary

Subject: Notes on the special meeting held at Allied Control Commission Headquarters on Wednesday, 7 August.

Present: Major General I. I. Levushkin, Soviet, Lt. Colonel M. I. Cherkasov, Soviet, Colonel Simmonite, U. S., Colonel Dunham<sup>279</sup>, U. S., Captain Hacker<sup>280</sup>, U. S., Colonel Patrick-Smith<sup>281</sup>, British, Lt. Colonel Capron, British.

<sup>279</sup> Colonel Kenneth K. Dunham, Chief of the Administrative Section of the U.S. Military Mission.

<sup>280</sup> Captain Allan J. Hacker, member of the Economic Section of the U.S. Military Mission.

<sup>281</sup> Colonel R. Patrick-Smith, Chief of Staff of the British Military Mission.



1. *Interference by Reparation Office of Hungarian Government with Administration of Mission.*

Introductory: As this headquarters had not received the allotment of Forints for the expense of the Mission (See Annex A<sup>282</sup>) and as various reports had been received that the food and other supplies would not be forthcoming (see Annex B<sup>283</sup>) including a call from the British Mission that they had been informed that the Wagon-Lits had been instructed not to furnish any more food, and as the Park Club (Anglo-American Officers' Club) and the Pengő Club had been informed that no supplies would be forthcoming, nor would pay for the help be continued, and inasmuch as all of the above information was traced to Vas Zoltán, Chief of the Supreme Economic Council<sup>284</sup>, who, it was reported, had stated that he was following the instructions of General Levushkin, Chief of Staff to the Chairman of the Allied Control Commission. This meeting with General Levushkin of the Soviet ACC was requested by the Chiefs of the American and British Representation to discuss the reason for the above acts of intimidation against the Military Missions.

*Discussion:* General Levushkin was informed that British and American Missions were being embarrassed by the failure of the Hungarian Government to comply with Article 11 of the Armistice, and that the Chief of the Supreme Economic Council had issued orders limiting the food supplies, wages and funds to the two missions.

General Levushkin then stated that while he knew of the purpose of the visit he did not know that such an order had been issued but that he had received a draft of letter which the Hungarian Government intended to transmit to the heads of the ACC outlining the difficulties of the Hungarian Government in meeting the expenditures required by the Representations on the ACC. The estimate for August was said to total 6,450,000 Forints amounting to further reparations demand which the Hungarian Government could not meet.

General Levushkin was asked why such a letter should be written when it was known by the Hungarian Government that under Article 11 of the Armistice they were required to furnish the necessary supplies and services to the ACC. General Levushkin replied after some hesitation that he was quite surprised to receive such a letter, especially when it contained certain statements which were not correctly chargeable to the ACC, such as repairs to the French Legation and a matter of 600,000 Forints charged to the Russians without any itemization.

General Levushkin was asked to read the letter and he replied that it was unnecessary inasmuch as General Edgcumbe and General Weems would receive a copy of it and that they might wish to discuss it further and possibly refer it to their governments.

General Levushkin was informed by Colonel Patrick-Smith and Colonel Simmonite that if the letter referred to administrative matters, such details could be discussed immediately. If it were a policy matter, it was still unnecessary for the generals to be brought in as they had fixed the policy that Article 11 was to be carried out, and that they would brook no interference by Mr. Vas in carrying out the terms

<sup>282</sup> Not printed.

<sup>283</sup> Not printed.

<sup>284</sup> Vas was the Secretary general of the Supreme Economic Council.

of the Armistice; that is, in other words, no change in the existing arrangements would be permitted. It was therefore pointed out that the representatives at the present meeting were capable of examining questions purportedly raised by the Hungarian Government.

General Levushkin was also requested to produce the figures of the expenses of each mission, which he hesitatingly agreed to do.

The latter in substance accused the American and British Missions of being extravagant in their administration. For instance, wine was considered to be a luxury and not a military ration; they could not be expected to provide for dependents of officers nor for expenses of running the Park Club, nor the payment of feeding of the domestic staffs. The letter then continued with a request that the ACC omit these expenses from its budget in order to help the Government stabilize its new currency, and concluded by stating that if the ACC did not conform, the matter would be taken up on diplomatic levels. General Levushkin commented on the letter and said that many of the expenses listed were not properly chargeable to the ACC.

After he had finished reading the letter he was asked by Colonel Simmonite why the Hungarian Government had submitted to him the draft for approval before sending it to the British and American Missions. He showed some embarrassment and after some moments he said that the draft letter had not been submitted to him for approval but that he had merely "sneaked" a copy from the file of Mr. Eröss János<sup>285</sup>, and that he was doing a favor to the British and American Missions in giving out this advance information. (*Note:* The letter which he read was written in Russian and according to the British and American interpreters was grammatically perfect, which was in contrast to the usually inept translations into the Russian from the Hungarian which are read frequently at the meetings of the ACC. This would lead to the belief that a certain measure of collusion existed between the Russian Chief of Staff and Mr. Vas Zoltán.)

Colonel Simmonite remarked that it had been decided at a meeting of the ACC that the Hungarian Government would be instructed by General Sviridov to refrain from charging repairs to buildings to the expenses of the Mission in that this was a capital investment and would prove to be for the benefit of the country when the Missions were terminated. General Levushkin said that that was his understanding.

Colonel Patrick-Smith then stated that the British Representative was prepared to consider the existing situation of the Hungarian Government but that he protested the manner in which the Hungarian Government was behaving in determining the limitation in the issuance of supplies without preliminary notice. Furthermore, when protests were made to the Supreme Economic Council, Mr. Vas Zoltán stated that General Levushkin had been the originator of such an order.

General Levushkin denied that he had ever talked to Mr. Vas Zoltán and when asked what he intended to do he said that he would write a letter for the signature of General Sviridov which would prevent such a recurrence.

General Levushkin then dictated the letter in the presence of the conference, in which he mentioned the failure to pay money requested, the cessation of wine supplies on 10 July 1946 to the British Mission, the refusal to pay the Wagon-Lits on the 4th of August for food supplies and for their wages, the order to close the Park Club on

<sup>285</sup> See footnote 259.

10 August, the failure to provide for expenses for the U. S. Military Representation, and to the enlisted men's Pengő Club, and the failure to provide proper supplies to the U. S. Mission. General Levushkin was asked to send a copy of this to the British and American Missions, which he promised to do.

General Levushkin had been informed of the immediate needs of the American Mission and promised that a partial payment of Forints would be forthcoming as he would tell Mr. Vas Zoltán to instruct the bank to make this money available. The expense figures for the U. S., British, and other representations were then produced as follows:

*FIGURES IN FORINTS*

	U. S.	British	Czech.	Yugo.
Cash	433,640	187,520.		
Food	80,016	159,832.		
Wine	25,897	43,557.		
Fuel	54,748	27,620.		
Gasoline	58,045	58,045.		
Servants-food	79,483	106,877.		
Servants-pay	139,447	155,806.		
TOTAL	871,276	739,257	433,000	67,827

It was pointed out that this totaled only 2,000,360 Forints whereas the letter had set forth a total of 6,450,000 Forints. General Levushkin replied that actually the total was 8,688,000 Forints. When asked for the items comprising the balance he stated that repairs to buildings totaled 2,093,000 Forints and Reparation Office Expenses amounted to 2,359,000 Forints. After further questioning General Levushkin explained that the Soviets had demanded 2,128,000 for their Mission expenses. There was also mentioned a figure of 6,590,710 Forints for additional Reparation Office costs.

General Levushkin was asked for the number of servants charged to the Missions and the following breakdown was given:

	Villas, Apts.	Park Club	Convent	Astoria	Wagon-Lits	Off. EM Mess	Pengő Club	TOTAL
U. S.	78	43	-	13	-	60	8	206
Brit.	107	55	9	-	99	-	-	277

As the above did not include the other delegations, General Levushkin was asked for the overall figures which were given as follows:

Soviets	90	servants
Reparation Office	223	"
Yugoslavs	43	"
Czechoslovaks	91	"

Colonel Patrick-Smith again pointed out that repairs to buildings were not properly a charge against the ACC nor should the Reparation Office be so charged. Colonel Simmonite concurred.

Colonel Simmonite then asked General Levushkin how this letter affected the Soviet section of the ACC. He replied that certain supplies might not be available to them. He was asked what steps were being taken on their part to have Article 11 carried out, and he said inasmuch as the Hungarian Government had made no complaints about the amount of provisions requested for the occupying forces, nor about the administration of the Soviet Section, ACC, he was not particularly concerned with the matter. He further stated that even if they should be cut off from supplies it would not embarrass them for they had been provident enough to foresee such a difficulty and had laid in adequate reserves of food, liquor, fuel, etc. and therefore had no immediate worry.

*Comment:* It was fairly obvious to both the American and British representatives at this meeting that this entire matter had been inspired by the Soviet Section of the ACC. This conclusion is drawn, not only because the letter was obviously originally composed in Russian, but also from the perfectly obvious fact that the Hungarian Government which is presently dominated by the Soviet controlled Communist Party in Hungary would not presume to write such a letter without first having been instructed to do so by the Soviet authorities. (Vas Zoltán is an officer in the Russian Army<sup>286</sup>, but also Chief of the Supreme Economic Council.) Furthermore, from a message received today, an exactly parallel action has been taken against the British and American ACC in Bulgaria.

As a sequel, a call was received this afternoon, 8 August, from General Levushkin requesting the American and British Missions to address a letter complaining about the action of the Hungarian authorities, notwithstanding the fact that General Levushkin unequivocally promised to write a letter to Mr. Vas, and furthermore dictated such a letter in the presence of the representatives named above at the meeting yesterday. Apparently the Soviet ACC desires to place the British and American Representations in the position of requesting the Soviet ACC to instruct the Hungarians to carry out Article 11 of the Armistice, this being an "important" matter, whereas the suppression of the Boy Scouts, Catholic Church, Girl Scouts, YMCA<sup>287</sup>, etc. was merely an incidental matter that could be decided unilaterally by the Soviet Section.

*2. Order to Close Park Club in Six Days*

Colonel Simmonite and Colonel Patrick-Smith informed General Levushkin that Mr. Vas Zoltán had given instructions that the Park Club was to be closed within six days and no further supplies were to be furnished.

General Levushkin replied that he had received no information on this and stated that the Club would be continued as heretofore.

*3. Closing of the Pengő Club*

Lt. Colonel Dunham said that funds were being withheld from the Pengő Club and asked for assurance that these funds would be granted.

General Levushkin said that he would issue instructions to furnish the funds for carrying on the club.

<sup>286</sup> In the inter-war period Vas emigrated to the Soviet Union where he joined the Red Army. In 1944 he returned to Hungary as a Soviet officer; by 1946, however, he was no longer in the army.

<sup>287</sup> Young Men's Christian Association.

#### 4. Travel Documents

Colonel Patrick-Smith states that the Town Commandant at Székesfehérvár had refused to accept ACC travel permits unless all Hungarian civilian passengers were listed.

General Levushkin said the Kommandatura had no right to do this and he would issue instructions about it.

#### 5. Withdrawal of Curfew

Colonel Patrick-Smith states that the British Mission had received no official notification that the curfew had been lifted.

General Levushkin stated that he knew that it had been lifted and tried to call up the Town Commandant to ask why he had not notified the ACC. He was not able to reach the Town Commandant and promised an answer on this.

Henry G. Simmonite  
Lt. Col., GSC

Box 44, Record Group 338, ACC Hungary: NA, Washington D.C.

### 32.

Conference of 14 August 1946

Minutes of a special meeting of the ACC convened at the Hungarian Prime Minister's request to discuss economic matters under Article 11 of the Armistice

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

Notes of special meeting of the Allied Control Commission for Hungary

Held in Budapest - 14 August 1946

A special meeting of the Allied Control Commission for Hungary was held at 12.00 hours on 14 August 1946 in the conference room of the Soviet Headquarters in Bajza utca, near Andrásy út, Budapest, Hungary.

The meeting was called to order by the Acting Chairman, Lieutenant General V. P. Sviridov, who presided in the absence of Marshal Voroshilov.

Present were: *The United States Representation:* Brigadier General George H. Weems, Lieutenant Colonel Henry G. Simmonite, Lieutenant Colonel Stephen W. Beda<sup>288</sup>, Lieutenant Colonel George S. Kovach and Major Edward J. Czerniuk.

*The British Representation:* Major General O. P. Edgcumbe, CBE, MC, Air Commodore J. H. Simpson, Colonel R. Patrick-Smith, Lieutenant Colonel P. C. Capron and Mr. F. Redward<sup>289</sup>, Office of Political Advisor.

<sup>288</sup> Lieutenant Colonel Stephen W. Beda, Head of the Finance Section of the US Military Mission.

<sup>289</sup> F. G. Redward, Second Secretary of the British Political Mission.

*The Soviet Representation:* Lieutenant General V. P. Sviridov, Major General I. I. Levushkin and Lieutenant Colonel M. I. Cherkasov.

*The Hungarian Government:* Ferenc Nagy, Prime Minister of Hungary; Ferenc Gordon<sup>290</sup>, Minister of Finance; Károly Bárányos<sup>291</sup>, Minister of Supply; Zoltán Vas<sup>292</sup>, Chief of Supreme Economic Council; and János Bröss, Chief of Hungarian Office for Reparations.

The meeting was called at request of the Prime Minister to discuss ways and means of effecting certain economies under Article XI of the Armistice. At the suggestion of General Sviridov, Prime Minister Nagy opened the conference.

*PRIME MINISTER:* I would first like to say that I am sorry we had to call this meeting and I would like it to be on a friendly tone. We are thankful for the friendliness of the three powers on the ACC but it is well known what terrible burden the inflation was on the economy of Hungary and how much we wanted to overcome it. On the 1st of August the currency was stabilized with the introduction of the Forint and it appears that it will be a success. However, stabilization brought many surprises for us, especially in governmental expenditures, and actually we found inflation easier. We first had to prepare a budget and we tried to estimate the expenses of the Missions. At the present time the greatest threat to stabilization is the maintenance of the Missions, together with other international expenditures. If the budget is not held intact it will be like the bursting of the dam. This question of the budget and of stabilization is the reason for this conference. We set aside a sum for the needs of the ACC, which sum was larger than we had operated upon under the Pengő rate. Now that we have to take care of the needs of the ACC in Forints we find that the sum in the budget is not sufficient. The monthly payment of the expenses of the ACC places the Hungarian Government in a very difficult position. It is not so much by itself but when it goes over the figure set in the budget we are at a loss to determine how we can raise the money; therefore, it is my humble request that the three great powers comprising the ACC scrutinize their bills and help us in a friendly way to reduce the costs. We would like to emphasize that we do not wish to lower the standard of living of the ACC because in the first place it is not in line with customary Hungarian courtesy, but we would like to bring it in harmony with the amount that we can afford. We request that you do not consider this as a discourtesy, nor think that we desire to do less for you because the Peace Conference is in session. I merely wish to request that the expenses of the Missions be brought into harmony with the budget. Do you wish to say anything before I go into detail?

*GENERAL EDCUMBE:* I wish to say that I fully understand everything that the Prime Minister has said as to the reasons for calling this meeting, but before we discuss anything further I want to state certain points as to the British policy. I want

<sup>290</sup> Gordon, Ferenc (1893-1971), Smallholders' Party politician, Member of Parliament, financier, Minister of Finance 1945-1946, Hungarian ambassador extraordinary and minister plenipotentiary to Switzerland 1946-1947.

<sup>291</sup> Bárányos, Károly (1892-1956), Smallholders Party politician, Under-secretary of State 1941-1944, Minister of Public Supply 1945-1946, Minister of Agriculture 1946-1947.

<sup>292</sup> Vas, Zoltán (1903-1983), Communist politician, Member of Parliament, Secretary of the Supreme Economic Council from 1945, Chairman of National Bureau of Planning from 1949, Food-controller in 1956.

to make it perfectly clear that ever since we came to Hungary we have encountered many difficulties as to cash and supplies to be received under Article XI. Just recently these difficulties have become greater. For example, on August 12th I received this note, which was addressed to one of my staff officers and signed by a person in the Reparations Office. It informs me, mind you not requests, of a decision that all drinks will be stopped. The Prime Minister says we have come to discuss this matter in a friendly way but I am quite sure that you will agree that for me, a British general, to receive a letter from some junior Hungarian official giving a decision without any discussion is most incorrect and I might say discourteous, and it is not a likely way to lead to friendly discussions. I am sure the Prime Minister does not know about it but I want him to learn what has happened. (Note: A letter is handed to the Prime Minister).

*PRIME MINISTER:* I do not understand it.

*GENERAL EDGCUMBE:* Now before we proceed further, I want to make clear the policy of my Government, which is as follows: This policy is that all supplies, facilities and cash required by the British Mission shall be supplied under Article XI and it is not the intention of my Government to send cash or supplies to Hungary for its Mission. I want to refer now to the matter of drinks. If they are stopped in this arbitrary manner I shall demand cash which will no doubt cause drinks to cost more. I am not saying that we will not listen to reasons for economy but I want it clearly understood that the Hungarian Government will either furnish supplies in kind or else will furnish money. I want you to understand that the drinks will not be stopped by any arbitrary letter such as this.

*PRIME MINISTER:* (After looking at letter). Perhaps this letter was written under trying circumstances as, for instance, during the month of August the Czech ACC demanded 13,500 liters of liquor.

*GENERAL EDGCUMBE:* That may be so but it does not in any way make me feel any better to have a letter of this sort.

The next point I want to make is that my Government, so far as practical, demands that all supplies should be furnished in kind and not in money for the reason that my Government believes that the Hungarian Government can purchase such supplies more economically and can also pay wages and check such supplies in better fashion.

Now as regards demands under Article XI, my Government makes me responsible but they do not expect me to undergo any limitations made by the Hungarian Government. The responsibility rests with me and I do not expect to be limited. Now I am perfectly willing to discuss this in a friendly manner but before we do so I want an assurance from the Prime Minister, from Mr. Vas and his assistants, that they understand the provisions of Article XI and that we will not undergo any restrictions.

If I get that assurance I am prepared to discuss this matter further. Furthermore, I want to be assured that all outstanding bills and wages of employees will be paid without delay, and I further emphasize that I wish assurance that we will get such cash and supplies as we require on the same basis as heretofore before I discuss any matter of economy.

I am sorry to take up so much time, but one last word. Regarding the correct procedure for the presentation of these suggestions for economies, it is my idea that

detailed suggestions be made in writing by the Hungarian Government and forwarded through the Chairman of the ACC for consideration by me, and then we can discuss them in broad terms around the table. That is the correct way, but it is not for the Reparations Office to announce decisions to do so and so. It is discourteous and I will not abide by it. I will report it to my Government if there is any recurrence. I am ready to discuss the matter on friendly terms provided that I receive assurance from the Hungarian Government that they will carry out Article XI.

*PRIME MINISTER:* If General Weems cares to speak first, I will answer both generals.

*GENERAL WEEMS:* I would like to know if it is accepted by the Hungarian Government that they are obligated by Article XI to administer the supply and facilities and supply the cash for the operations of the Missions.

*PRIME MINISTER:* Quite naturally.

*GENERAL WEEMS:* My Mission has had similar experiences to those expressed by General Edgcumbe and like General Edgcumbe I have noted the impertinence in the letters that I have received from subordinates in the Hungarian Government. My position is that the Hungarian Government should continue to supply cash and facilities for the United States Representation as it has in the past, and this includes the prompt payment of outstanding bills. If the Hungarian Government gives me assurance along such lines indicated, my Government is entirely willing to cooperate fully. On my own, I shall continue to effect such economies as are considered advisable. If the Hungarian Government desires to suggest any economies under Article XI, such suggestions should be submitted in writing through the Chairman of the ACC to me for my consideration. However, I shall be glad to discuss informally with responsible officials of the Hungarian Government, any matters as to possible economies that might be made.

*GENERAL SVIRIDOV:* We have discussed the matter many times with the Prime Minister and other members of the government and have put forward our demands as early as possible. We have decreased our expenses but will insist that our demands be met by the Hungarian Government, and it is up to the Hungarian Government to decide how.

*PRIME MINISTER:* Before we enter into a discussion I would like to know whether we could discuss the matter in detail or must it be submitted in writing.

*GENERAL EDGCUMBE:* My view is that if we discuss details we will spend many hours and arrive at no decision. It would be better to have the proposals in writing in order that we might give our considered opinion and then if we need another meeting General Sviridov can arrange it.

Another point I would like to make to the Prime Minister is that if we agree to discuss any matter in detail at this time, will he give assurance that he has agreed that this letter is cancelled forthwith and that no changes will be made in the present arrangements until we have agreed to them.

*PRIME MINISTER:* May I be permitted to say that both generals have remarked that they feel we are not taking care of the ACC as set forth in Article XI. The Hungarian Government naturally understands, as we have said before, that they must comply with Article XI.

*GENERAL EDGCUMBE:* Do you agree that the scale of supplies will continue as heretofore?

*PRIME MINISTER:* I hope we will reach a decision quickly. I can agree to General Edgcumbe's proposal. There will be no change at this time, but I would like to mention a few figures.

The needs of the ACC, figuring in its lowest terms, amounts to one million dollars monthly. This is a great amount in Hungary's budget. Even if I assume that the Hungarian Government is prepared to supply and provide for the ACC everything they need, the question arises how would we be able to do so. There are various standards of living such as ordinary, middle and luxury. For example, the Czech Mission has requested cash in the sum of \$17,148,000 for this month and this does not include food or other supplies. This could not be classed as a low or middle standard. It is actually a luxury living. I do not believe that any of the Czechs live so well in their own country. Therefore, when the question is presented to the Hungarian Government we want to decide what standard of living would be maintained with the Missions.

Please do not misunderstand, but for instance the question arisen as to whether the families of the members of the Mission and governesses and tutors, should be provided for. These are questions which must be settled first before we can attempt to set up any standard of living. I must ask your apology for the letter because the matter will be discussed later. However, if General Edgcumbe raises the question concerning the payment of present expenses I must say that we are unable to carry on at the present rate.

I very much regret the statement that General Edgcumbe made that if we are unable to fulfill the demands he will report it to the British Government as we want to discuss the matter on friendly terms. We have made this request for the meeting not because of any discourtesy or disinterest but we have been forced to do so and if you wish to have the proposals in writing we will do so. Mr. Vas has some practical proposals to make.

*GENERAL SVIRIDOV:* (To Mr. Vas). I would like to ask what sum was planned by the Hungarian Government to supply the ACC and how much they are going to ask that this be decreased. I also would like the basis for the figures in the budget.

*MR. VAS:* We have found the Chiefs of the Missions to be friends of Hungary. The Chief of the Russian Section was the leader in behalf of the alleviation of reparations. The Chief of the American Section helped us to receive our gold. The English Chief is also our very good friend. From this it can be seen that we wish to do everything to make your stay in Hungary enjoyable and we want to help you in the future to feel at home. Since the Missions have been in Hungary we have always tried to help, even during the days of starvation. We fitted out homes and palaces for the Missions but relatively our position was easier then because it was only a question of printing more money. Even then you gentlemen were the ones who told us to get rid of the inflation and turn over a new leaf, but on the 1st of August our good money came in and we must take every penny into account. About two months ago we called attention to the Missions that the 1st of August was coming and we notified them that we must make up a budget and asked them to tell us their needs inasmuch as we are bound by laws.

Actually we received this data too late and we are now placed in an unpleasant position as evidenced by this letter, for which I apologize. It was actually written by a subordinate. I must stress again and add to the Prime Minister's words that we will get every cent that you gentlemen require. All amounts will be procured as needed for your comfort, but we ask that the amounts [be used] only for the comfort of the members of the Mission and not for others because I am sorry to say today's system requires the upkeep of five and six times the number of people necessary for the Missions.

This is because of a Hungarian group which the Missions have drawn about them and which have set themselves up as a liaison between the Hungarian Government and the Missions. If the English Mission or the United States Mission will name any sum we will supply it without any further question. We will equip special shops where they could purchase items at controlled prices, but no one should be permitted to come to the Reparations Office and demand certain items immediately.

We frequently receive telephone calls from a maid that we must supply so much liquor at such and such a place. This we cannot afford to do now that the Forint has been stabilized. For instance, we maintain for the Czechs and Yugoslavs special coffee houses where they bring in Hungarian guests whose bills we are obliged to pay. I am sure you do not think this is a proper demand from us. Most of these places should be closed and the owners arrested and put in jail because they have profited by millions from the Missions.

We ask that you inform us how much is required and we will furnish this because we know it will be less and we will not be forced to lose to thieves. If you do all this you can live as you are entitled to live. Kindly consider these unfortunate matters closed. If this system was put into effect we could reduce the expenses by one-third and you could live according to standards of rank that you deserve. Let us pour fresh water in a glass and begin anew. I say all of this so you can better enjoy yourselves.

*GENERAL SVIRIDOV:* I understand Mr. Vas would like to supply the Missions by allotting a certain amount of money. For example, as Chairman of the ACC I might receive one thousand Forints, then I could go to a special shop to buy my supplies. Is that correct?

*MR. VAS:* No, you would receive much more, but before I make any further remarks I would like Mr. Eröss to make a statement.

*MR. ERÖSS:* I would like first for the people here present to look at Article XI. If we can agree as to the interpretation of this Article no further misunderstandings will arise. The second question is the number of people employed by the Missions. It is physically impossible to supply the Missions without knowing the exact numbers. The third request, which is in addition to the remarks by Mr. Vas, is that the Missions should take care of their own supplies from the amount allotted because it is absolutely impossible for us to exercise control over the people who furnish the Missions. We cannot exercise supervision or investigate them.

*GENERAL WEEMS:* You are making a point that a lump sum should be turned over to the Mission?

*MR. ERÖSS:* The Missions have a total number of 937 Hungarian employees and we ask the Missions to please help reduce this number of people. This includes all of the Missions. As we are prevented from supervision, we do not know who are

working for them. These are the various questions to be brought to the attention of the Chiefs of the Missions.

Now I have to ask this. I am not acquainted with the text of the letter which caused the discussion, however, I believe that the reason that we stopped furnishing drinks is because the Russian Section advised us that they were not going to demand any drinks after August 1st. I told the Executive Council of this decision and they probably stopped drinks to all of the other Missions.

*GENERAL SVIRIDOV:* For the information of General Edgcumbe and General Weems, it was only the Soviet Section which decided not to requisition any more drinks.

*MR. ERŐSS:* I had a meeting with General Levushkin and discussed the matter. He first told us to discontinue drinks and then told us that we should continue to supply drinks to the Missions.

*GENERAL SVIRIDOV:* The Soviet Section also reduced the number of its employees to 80. I would like to ask the Prime Minister why two proposals have been made. Mr. Eröss proposes to supply as before with economy and Mr. Vas suggests a lump sum of money of any amount the Missions desire.

*PRIME MINISTER:* My opinion is that it would be a good idea to supply the Missions with money because I feel that if this were done the cost could be reduced as the Missions would know to whom they were furnishing their supplies. I also think that it was a good suggestion to ask the Missions the number of people that are working for them. At times like this it is necessary to introduce severe control measures and the people who get public funds in their hands many times let the money slip through. If the generals are prepared in principle to accept these proposals we will put them in writing.

*GENERAL EDGCUMBE:* I am not prepared to agree in principle, as the proposal of Mr. Vas is exactly opposite to the policy of my Government. Any proposals that are to be made should be put in writing for our consideration to see if they are practical or acceptable, but I will not agree to any proposal in principle at this time. As I understand the proposition of Mr. Vas, the supply of the Missions will become the responsibility of the Missions. This is not my policy. The Hungarian Government has a very large number of Political Police and they ought to be able to investigate these people that they call robbers. I will agree to any reasonable form of inspection but I must say that if they are incapable of controlling their people there is no reason for us to change our system.

*MR. VAS:* We want to give you everything your hearts desire.

*GENERAL EDGCUMBE:* I therefore suggest that we not go on talking but that the proposals be put in writing. I want to make it clear that I do not agree to any suggestions or proposals that will change the present system. I do not agree that they are even justified.

*GENERAL WEEMS:* I want to inform the other members of the ACC and the members of the Hungarian Government present that for three days no food was delivered to my officers' mess. A similar situation existed at the Park Club<sup>293</sup>. I think

<sup>293</sup> In accordance with the decision of the ACC, the Park Club at 34-36 Stefánia út in Budapest was allocated to the British and US representations of the ACC. The club was under the control of British and

it was caused by letters such as those mentioned in this conference and I feel confident that the situation will be promptly corrected and that the same service and the same standards will be maintained until we can find a solution to proposals of the Hungarian Government.

*PRIME MINISTER:* It is my understanding that the Hungarian Government should submit written proposals to you through the Chairman of the ACC.

*GENERAL EDGCUMBE:* May I ask one more question? Will the Prime Minister assure us or not, I would like an answer yes or no whether the facilities we have been receiving, including the Park Club and the furnishing of wine, etc., be continued as heretofore. I must receive that before I will consider any proposals for change.

*PRIME MINISTER:* We will present our proposition very soon.

*GENERAL EDGCUMBE:* I would like to have an answer to the question.

*PRIME MINISTER:* Yes, they will be continued.

*MR. VAS:* No, they will not.

*GENERAL EDGCUMBE:* Who is speaking for the Hungarian Government?

*MR. VAS:* What the Prime Minister says is the law, but it is impossible. I must say that the budget had been fixed for the expenses of the ACC at seven and one-half million Forints per month and if we must continue to provision the Missions as in the past it will require fifteen million Forints.

*GENERAL EDGCUMBE:* I can not reconcile how Mr. Vas can guarantee as much cash as needed and yet can not furnish supplies and services as at present.

*PRIME MINISTER:* Please do not misinterpret the remarks or statements made by Mr. Vas or myself. I answered the question yes and Mr. Vas was only explaining certain matters to me. My answer is definitely yes.

*GENERAL EDGCUMBE:* It is perfectly clear then that the Missions will be supplied as heretofore and the Prime Minister's answer stands.

*MR. VAS:* I am not jealous of the amount of money supplied to the Missions but as to the Park Club, the manager should be hanged by the neck.

*PRIME MINISTER:* I do not feel that this should be a matter for unpleasant discussion. We wish to thank the gentlemen present for their hearing and we will very shortly submit our proposals in writing.

*GENERAL EDGCUMBE:* I want to thank the Prime Minister for the friendly spirit in which he has put forward his proposals.

*MR. BÁRÁNYOS:* I would like to make a suggestion that one or two members of each of the Missions meet with the Hungarian Government to discuss these proposals.

*PRIME MINISTER:* I agree. I think it would help to have a preliminary discussion.

*GENERAL EDGCUMBE:* I believe we must have the proposals in writing first.

*GENERAL WEEMS:* I understand that you want representatives of the Missions to formulate the proposals.

*GENERAL EDGCUMBE:* I think we should get overall suggestions and then meet.

American officers and was maintained by the Hungarian Government. Food and table wine were provided for members of the Missions free of charge.

*GENERAL WEEMS*: I agree.

*GENERAL SVIRIDOV*: I understand that the Hungarian Government has several proposals for the supply of the Missions and I understand that General Edgcumbe and General Weems wish to have these proposals in writing, to be sent through the ACC. Will you state a time when these proposals should be sent.

*GENERAL WEEMS and GENERAL EDGCUMBE*: It is up to the Hungarian Government. As soon as possible.

*PRIME MINISTER*: One reason that I am inclined to agree that a discussion with representatives of the ACC should take place first is that we can then see how elastic the Missions would be as to our proposals.

*GENERAL SVIRIDOV*: I think the suggestion is reasonable and I would like to ask General Weems and General Edgcumbe to reconsider.

*GENERAL EDGCUMBE and WEEMS*: Agreed.

*GENERAL SVIRIDOV*: I must stress this point though that any work done by the officers detailed is not an expression of opinion of the ACC and I want it clearly understood that the Hungarian Government will not say later that the proposals were made by the ACC. These proposals, even after conference with representatives from members of the Missions will be merely proposals of the Hungarian Government, which we may accept or reject. On receipt of the proposals I shall discuss them with General Weems and General Edgcumbe at a meeting of the ACC and we will arrive at a decision which will be sent to the Hungarian Government.

*GENERAL EDGCUMBE*: I agree.

*GENERAL SVIRIDOV*: Until the decision is arrived at the present system of furnishing supplies and services will remain as they have been during the past months. Is that clearly understood by everyone? There have been requests from the chiefs of staff for certain sums of money and I would like to say that the Soviet Section needs their money tomorrow if we are going to sit for the rest of the month.

*PRIME MINISTER*: The money will be available the day after tomorrow as tomorrow is a holiday.

*MR. VAS*: This is the first instance of stabilization with a hole in it.

*GENERAL SVIRIDOV*: You gave us 700,000 Forints for the first fifteen days of the month and we need another 700,000 for the remaining part of the month. This is 100,000 Forints less than we requested.

*MR. VAS*: You can get the money tomorrow at the Reparations Office.

*PRIME MINISTER*: We came here to cry, now we find we have to give the money tomorrow.

*GENERAL SVIRIDOV*: As far as I am concerned, I will try to arrive at a quick and satisfactory solution.

711.9 Allied Control Commission, Record Group 84, Budapest Legation File: NA, Washington D.C.

### 33.

*Conference of 15 August 1946*

Minutes of a formal meeting of the ACC where matters regarding Schwabians, postal services, illegal movement of Jews, clearances, etc., were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

#### NOTES

A meeting of the Allied Control Commission for Hungary was held at 14.15 hours on 15 August 1946 in the conference room of the Soviet Headquarters in Bajza utca, near Andrassy ut, Budapest, Hungary.

The meeting was called to order by the Acting Chairman, Lieutenant General V. P. Sviridov, who presided in the absence of Marshal Voroshilov.

Present were: *The United States Representation*: Brigadier General George H. Weems, Lieutenant Colonel Henry G. Simmonite.

*The British Representation*: Major General O. P. Edgcumbe, BCE, MC, Lieutenant Colonel P. C. Capron.

*The Soviet Representation*: Lieutenant General V. P. Sviridov, Lieutenant Colonel M. I. Cherkasov.

The discussion was substantially as follows, subject to any discrepancies in translation from the Russian.

Note: No agenda was prepared by the Acting Chairman, but the following proposed agendas were submitted by the British Representation and the United States Representation:

#### *British Representation*

##### 1. *Fascist Activities.*

Referring to ACC discussion on 24th July<sup>294</sup>, it is desired to know whether there are any developments as regards suppression of Fascist activities in Hungary.

##### 2. *Schwabians.*

It is desired to know what the position is regarding the requirements made by the U. S. Zone in Germany and when it is likely that deportations of Schwabians will re-commence.

##### 3. *Aircraft Flights.*

It is desired to obtain permission for British aircraft to fly over Hungary from Vienna to Yugoslavia on regular weekly flights. The air corridor proposed is Vienna - Budapest - Subotica, and in normal weather conditions it is not intended that these flights should land on Hungarian territory. (Letter BMH/217/AIR dated 6th August to Chairman, ACC, refers).

<sup>294</sup> See document 30.

4. *Postal Services – Hungary to Italy.*

Headquarters Allied Commission in Italy has asked whether the ACC has given permission for postal services from Hungary to Italy.

5. *Illegal movement of Jews.*

Illegal Jewish emigration is causing the British Government some concern and it is desired to enlist the co-operation of all Governments to ensure that steps are taken to enforce existing legislation against illegal movements of Jews living in the various countries concerned. The illegal movement of Jews from Hungary into Austria was discussed at the ACC meeting on the 20th May<sup>295</sup>, and it is desired to stress that the Hungarian Government should do everything possible to ensure that the Hungarian Frontier Guards prevent illegal movement from Hungary.

*United States Representation*

1. *Present Status of the Schwabian Expatriation Program.*

With one exception, all points in the requirements demanded of the Hungarian Government by our occupational authorities in Germany have been resolved. The one exception is in the matter of 500 Reichsmarks for each expellee. On this point the position of the U. S. Military Government of Germany remains that it is absolutely essential that each Schwabian have in his possession this minimum amount of money in order to be able to purchase rationed food items in the U. S. Zone of Germany before they find employment.

2. *Hungarian Repatriation Program.*

It is understood that the Hungarian representative, Mr. Millok<sup>296</sup> has concluded an agreement with the U. S. and Soviet authorities in Vienna whereby approximately 80,000 Hungarians will be returned to Hungary from all four occupational zones, at a rate of two trains daily. A report has been received that one train with Hungarian displaced persons arrived Sunday, 4 August, at Kaposvár. It is thought that this train came from the British Zone of Occupation.

3. *American Property taken as Reparations under Potsdam Agreement.*

American interests are being jeopardized by the Soviet authorities in placing burden of proof of non-German ownership of such property upon Hungarian authorities. Recently in nine cases Soviet authorities have claimed property owned by persons in the United States, and while the Legation has written the Reparations Office stating that proof of citizenship will be furnished nevertheless Soviet authorities have instructed the Reparations Office not to accept such letters as basis for proof or even for delay of transfer until certifications can be obtained. Information is desired as to what action the Chairman of the Allied Control Commission will take in this matter. A separate letter has been forwarded on this subject (see Annex "A"<sup>297</sup>).

<sup>295</sup> See document 26.

<sup>296</sup> Millok, Sándor (1887-1959), Social-Democratic politician, Commissioner of Repatriation.

<sup>297</sup> Appendix A not printed. In his letter of 9 August 1946 sent to General Sviridov, General Weems requested delayed action in all cases involving property of persons believed to be American citizen. General Weems listed cases of nine property owners (Andreas Pamer, George F. Roth, Douglas and Elmer Somlyo, Mrs. Jakob Estes, István Erky, Henry Hilgert, Karl Pfeiffer, Peter Pack and Mrs. Serone Poller) whose verification of citizenship was in process. In an other letter dated 13 August, 1946 General Weems demanded that Singer Varrógép Rt. (Singer Sewing Machine Company) of Budapest, which had been transferred to

4. *Clearance to Enter Hungary for Foreign Service Officers, Government Officials and American Personnel on United States Government Business.*

It is the desire of the United States Government to know why clearances cannot be promptly obtained for the entry into Hungary of Foreign Service Officers of the United States Government, other United States Government officials and American personnel on United States Government business.

5. *Restitution of American interests.*

The Hungarian Economic High Council by decision No. 21749/1946, J. H., dated 24 July 1946, informed the Singer Varrógép Rt. of Budapest that ownership of the Hungarian properties of the Singer Nähmaschinen A. G. of Berlin, Germany, was transferred to the USSR under the Potsdam Declaration. It has been established that this is wholly American-owned property and it is desired that the Allied Control Commission direct the return of this property to its rightful owners. A letter has been forwarded on this subject (see Annex "B"<sup>298</sup>).

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*GENERAL SVIRIDOV:* The first question relates to the deportation of Schwabs. I have received your letter and sent it to the Prime Minister but the Hungarian Government has raised a point concerning what is meant by the term Marks or their equivalent.

*GENERAL WEEMS:* This can be Dollars, Pounds or Forints.

*GENERAL SVIRIDOV:* The Hungarian Government has 10 million Dollars that they might use.

*GENERAL WEEMS:* I must revise my statement as to Forints as I do not know what the United States Government's position is concerning the Forint as yet, but we will examine any proposal that the Hungarian Government may make.

*GENERAL SVIRIDOV:* They are now studying your letter. Did you have anything else in mind when you placed this on the agenda?

*GENERAL WEEMS:* Nothing except to keep the other members of the ACC informed.

*GENERAL EDGCUMBE:* At present no movement is taking place?

*GENERAL SVIRIDOV:* No. The Hungarian Government has the United States' proposal and we expect an answer shortly.

At present the Reichsmark question is the only demand that must be fulfilled. Does General Weems have any information as to the time for the expatriation of the Schwabians? Will it go on into the winter?

*GENERAL WEEMS:* No limit has been placed on it as yet but I believe it is contemplated going right on through 1947. I cannot give complete assurance on that, however.

*GENERAL SVIRIDOV:* The next question concerns the fascist activities, an item brought up by General Edgcumbe.

*GENERAL EDGCUMBE:* I had a long talk with my Government officials and they asked me again for a copy of the letter. (Letter from General Sviridov to Hungarian

the Soviet Union be returned to its rightful owners of American citizenship. 711.9 Allied Control Commission, Record Group 84, Budapest Legation File; NA, Washington D.C.

<sup>298</sup> Appendix B not printed.



Government demanding suppression of Catholic and other public organizations.<sup>299</sup> All I had was your summary and you said that you would ask Marshal Voroshilov for permission to give me a copy of it.

*GENERAL SVIRIDOV:* This question of the letter is separate, but in regard to fascist activities I wish to inform you that I have more information on the same tenor as I reported on the 24th of July.<sup>300</sup> There is no doubt that fascist and pro-fascist elements still exist in Hungary. One could say thousands. To isolate, arrest and destroy them is impossible. Those fascist and pro-fascist elements who are not actively engaged against the Red Army will be permitted to live quietly. Some are continuing terrorist activities. For example, a village in the district of Szalla<sup>301</sup> two Red Army men were found dead. Also, a band of fascists were found in Debrecen and disarmed. They had a blacklist with the names of democratic Hungarians who had been killed. They were medical students at the University in Debrecen. In the town of Abony two fascist youth organizations were discovered. This is proof that the fascist elements are still working.<sup>302</sup>

*GENERAL EDGCUMBE:* Does the General consider that the Hungarian Government is playing its proper part to suppress their activities?

*GENERAL SVIRIDOV:* I cannot say they are not doing their best to discover and disarm them, but it is quite evident the work cannot be completed in a year as it takes time.

*GENERAL EDGCUMBE:* Thank you.

*GENERAL SVIRIDOV:* The next question pertains to aircraft flights. I have received permission from the Occupying Forces for flights over the following corridor: Vienna-Komárom-Budapest-Kecskemét-Szeged-Subotica.

The U. S. and British aircraft are permitted to fly over this corridor in accordance with the following conditions and regulations of the Soviet High Command:

1. The route prescribed must be strictly adhered to, that is, aircraft must not deviate to either side. The reason being that the occupying forces have been informed the flights will be made over this corridor.

2. The second point is that the British and U. S. Representations must notify us of their schedules of flights fourteen days in advance, that is, flights on this particular corridor must be scheduled two weeks in advance. The notice of schedule may be submitted at the same time as the Budapest-Vienna flights.

*GENERAL EDGCUMBE:* I wish to thank the General for this information. If other small details are required they can be taken up by my staff with your Colonel Ostrovsky.

*GENERAL WEEMS:* In that connection, it might be advisable to have a memorandum on the routes and conditions.

*GENERAL SVIRIDOV:* The next question pertains to postal service between Hungary and Italy. Postal service into Italy has been permitted. Hungary also has been permitted by the Marshal to organize normal postal, telephone and telegraph

<sup>299</sup> See footnote 254.

<sup>300</sup> See document 30.

<sup>301</sup> Presumably, Zala County.

<sup>302</sup> Such a proof of "fascist activities" was recalled by Ferenc Nagy in his memoirs. In the outskirts of Gyöngyös a boy, according to Nagy, whose mother had been raped by seven Russian soldiers in one night secured a gun afterwards and shot a few Russian soldiers. Nagy Ferenc, *ibid.*, p. 239.

service between Hungary and Italy. The permission was given on the 30th of July at the request of Communications Minister Gara<sup>303</sup>.

*GENERAL EDGCUMBE:* Thank you for your explanation.

*GENERAL SVIRIDOV:* The fifth question pertains to the illegal movement of Jews from Hungary I would like to have this question clarified.

*GENERAL EDGCUMBE:* I previously raised the point as to the number of Jews who are moving from Hungary into Austria into the British Zone, and I believe they are also going to the United States Zone. They are travelling without proper papers or authority to the great embarrassment of British authorities. There is every reason to believe that they are going from there into Palestine. The British authorities were greatly embarrassed by the movement in June and my Government has requested me to ask all other governments to cooperate to prevent these people moving without authority. I appreciate the difficulty but yet it seems to me that arrangements should be made to stop them from leaving Hungary and entering Austria.

Such elaborate arrangements have been made to prevent other people from travelling to and fro without proper papers, it would seem that similar precautions could be made in the matter of the Jewish emigration. My Government would appreciate anything that can be done to stop this illegal movement and they would also be gratified to have patrols of the Soviet occupying forces placed on the border to help stop this movement. I know it will be difficult, but anything that can be done will be appreciated. I might also add that this will be more difficult because many organizations are helping these people to bribe Hungarians and also the Frontier Guards. Whenever bribery is involved it becomes much more difficult.

*GENERAL SVIRIDOV:* I remember on the 23rd of April<sup>304</sup> this question was raised for discussion and it was reported that organizations were helping these people to go out on trains. I remember 250 to 300 were found on trains with false documents. At that time the Minister of War<sup>305</sup> received permission to increase the guards from 5,000 to 10,000 and since then the Frontier Guard service has been improved. Today I received a report that these guards stop around 1,000 persons per month who try to cross illegally. In addition to Frontier Guards, Frontier Police have been organized whose function is to check on the documents, thereby giving a double check. These two guards do not come under the same head. The Frontier Guards are under the Minister of War and the Frontier Police under the Minister of the Interior<sup>306</sup>. The government is mostly concerned with the speculators who are attempting to cross the frontier. I will talk to the Ministers of War and Interior again and ask them to increase their efforts to prevent illegal exit of Jews.

I would also like to inform you that ten days ago we found an organization engaged in the business of forging passes with General Levushkin's signature. These passes were sold for money and the business was being run by poor students trying hard to make a living. In fact, these passes were so good that General Levushkin could not differentiate the signature from his own.

<sup>303</sup> Erratum in the original text. Minister of Communications was Antal Balla from November 1945 to November 1946.

<sup>304</sup> See document 25.

<sup>305</sup> Jenő Tombor

<sup>306</sup> László Rajk

*GENERAL EDGCUMBE:* I thank you and realize the difficulty you are up against when people resort to bribery.

*GENERAL SVIRIDOV:* The price per exit pass is now up to \$500.00. That is in dollars, not in Pengós.

*GENERAL EDGCUMBE:* That is very interesting.

*GENERAL SVIRIDOV:* The next question concerns repatriation of Hungarians from the British, United States and French Zones. As far as the repatriation from the British Zone is concerned the matter has been settled. The first train entered Kaposvár on the 11th of August. About 20,000 are to be repatriated from that Zone. All together, the Americans have repatriated 218,000 people to date, consisting of former prisoners of war and displaced persons. Owing to the overloading of rails a temporary halt has been made in passing the trains through.

I have just heard of an agreement, however, made by Minister Millok and a United States Lieutenant Colonel for the repatriation of 84,000 Hungarians from the American Zone. The French Representative here has not approached the Allied Control Commission on this matter. Furthermore, the agreement between Mr. Millok and the American Colonel was made without prior ACC approval. In that agreement the Soviet element was not asked to participate and the result is no one is in the picture and there is no plan for schedules. I would like to know more about this matter.

*GENERAL WEEMS:* The information I have at hand is this, that the agreement reached between Mr. Millok and a United States Officer in Vienna was also approved by a Soviet Officer there, a Colonel Staroff. This permitted resumption of Hungarian repatriation and all that is needed as I see it is for the ACC-Hungary to notify ACC-Austria that the Hungarian Government is ready to receive the trains. I had a message from Vienna recently quoting a statement of Colonel Staroff to the effect that the trains would be permitted to move if he received word that Hungary will receive them. This information was passed from my liaison section to the Soviet ACC.

*GENERAL SVIRIDOV:* We have received no requirements or complaints on the Hungarian side concerning repatriation and I suppose they are glad that the United States Government is feeding them.

*GENERAL WEEMS:* We understand the Hungarian Government told the ACC that they would be glad to receive these repatriates.

*GENERAL SVIRIDOV:* Aside from the copy of Mr. Millok's agreement, which I received two days ago, I was not approached, nor had the Hungarian Prime Minister or Foreign Office mentioned anything about it.

*GENERAL WEEMS:* Thereupon I take it that the Soviet Representative on the Hungarian ACC has not notified the Soviet ACC in Austria that Hungary is ready to receive these people.

*GENERAL SVIRIDOV:* No. I can not understand why Mr. Millok could not come himself to the Soviet ACC or forward the information through the Prime Minister or the Minister of the Interior. All he did was to send the copy of the agreement, saying that the Soviets had participated.

*GENERAL WEEMS:* Colonel Staroff was present.

*GENERAL SVIRIDOV:* No, he was not. I wish to inform General Weems officially and honestly that I received no official communication from the Hungarian Government regarding these repatriates. This question must be raised for discussion and

planning. The Hungarian Government is satisfied for the Americans to feed them and will not worry about it.

*GENERAL EDGCUMBE:* We know nothing official regarding Mr. Millok. We had a message recently from Berlin CRX<sup>307</sup> which we could not understand so one of my staff met with General Belianov and agreed that two trains a week would enter Hungary bringing back Hungarians from the British Zone.

*GENERAL SVIRIDOV:* The British question is settled.

*GENERAL WEEMS:* I would like to ask one more question regarding the Hungarian repatriation program in order that our authorities in Germany and Austria may take further plans. The question is should the Hungarian Government ask the Chairman of the ACC to inform the ACC-Austria that the Hungarian Government is ready to resume the program? Will that information be passed promptly to Austria so that our people can be informed?

*GENERAL SVIRIDOV:* I am waiting for a letter from the Hungarian Government and will immediately notify the Soviet ACC in Austria.

*GENERAL WEEMS:* Thank you.

*GENERAL SVIRIDOV:* We will now proceed to the question of the American property claimed under the Potsdam Agreement. I have your letter on this subject and I was worried about your accusation that the Soviets were damaging United States property<sup>308</sup>. I would like to know what damage they did to U. S. property. I would like to have instances where such damage was sustained.

*GENERAL WEEMS:* The letter was not intended to imply physical injury to the property, rather the injury mentioned was to the interests of United States citizens who had property taken over by the Hungarian Government while the proof was being assembled to show such citizenship. When this property is taken over hurriedly before facts are established as to citizenship, this is deemed injurious to American interests. We merely requested in this letter that the Soviets suspend action pending final verification of citizenship by the Department of State. It may take some time to establish these facts and if such property is taken over by the Soviets in the belief that it was German property and it is later found to be definitely American, this causes confusion and is injurious to American rights. If the Soviet Delegation will suspend action on cases which come up in the future until all facts are known we will be satisfied. In other words, we do not want you to act until the Americans have time to prove their case. If it is found to be German we will say so, but if it is not, American citizens will not be harmed in the meantime by having it taken from them. In each case our Government will inform the Hungarian Government that it is attempting to get verification of citizenship. We will inform the Hungarian Government that we believe it to be American and will ask them to delay until the full facts are assembled.

*GENERAL SVIRIDOV:* That is clear.

*GENERAL WEEMS:* Can the Chairman inform me what action has been taken in the nine cases listed in my letter?

<sup>307</sup> Not printed.

<sup>308</sup> For the American point of view on this matter, see also Arthur Schoenfeld's letter to the American delegation at the Council of Foreign Ministers in Paris, FRUS, 1946, vol. VI, pp. 282-285.

*GENERAL SVIRIDOV:* We haven't injured American property and we never will. The property is only transferred only after detailed studies have been made by the Hungarian Government. This includes reference to banks, bureaus of statistics and commercial courts and also information from Vienna and Berlin. If there is the slightest evidence that the property is not completely German owned the case will be help up for further investigation. There are now twenty or thirty such cases pending. Up to now the property has not been awarded as the cases are still in dispute. In such cases the Hungarian authorities are very cautious in turning over property and we do not influence them. We have never taken anything by force. Adequate proof must be established before any transfer is made. In fact, the Soviet Government is now accusing the Hungarian Government that they are preventing the transfer of property, therefore, I ask you to inform the Hungarian Government through the Chairman of the ACC when there are American interests involved and I shall be glad to forward the letter to the Hungarian Government immediately. Negotiations have been going on for a year and we have received no complaints from the Americans as up to now except in two cases, namely the Budapest Ford and the Telephone Company. These were turned back by the Soviets when the American interest was established. If we find out that there are American interests in any case we will inform General Weems and take steps to transfer back the property. As to the nine cases listed in the letter, the first one concerns Mrs. Jacob Estes. This property is considered to be a German asset by the Hungarian Government but there has been no decision in the matter as yet. The other eight cases involved have been found not to involve German assets and will not be claimed by the Soviets as they are not German. The Chief of Economic Section of the Hungarian Government has investigated the matter and found no German assets and they will not be transferred.

*GENERAL WEEMS:* I understand that you will not take any property over that the Hungarian Government does not pronounce to be German owned and if there is an allied interest the transfer will be held up until the matter is clarified.

*GENERAL SVIRIDOV:* In this connection, I have your letter concerning the Singer Sewing Machine Company. I have asked the Hungarian Government about this and received the reply that all documentary evidence obtained so far shows the Singer Sewing Machine Company to be entirely German owned. If the American Government will furnish documentary evidence to show that it is U. S. owned and not German, only then will the property be removed from the list of German assets.

I would like to point out that Mr. Schoenfeld (the U. S. Minister) had issued Protection Certificates for individual cases of American property which certificates had been nailed on doors or gates. These properties were never molested by the Soviets or by Hungary. However, several Hungarians put up false documents on property which were later removed by the U. S. military authorities.

In the transfer of German property to the Soviets, the Hungarian Government has inserted a clause to the effect that should the property in the future be found to be U. S. or British owned such property will be returned intact to the owners. None of this property is shipped to the Soviet Union and so no harm can be done.

*GENERAL WEEMS:* Let me see if I am clear. The United States Government says that the Singer Sewing Machine Company is entirely U. S. owned. The Hungarian Government has declared it to be German and eligible for transfer to the Soviets

under the Potsdam Declaration. As a result the property has been transferred to the Soviets by Hungary. However, as it has now been established that it is wholly American owned, I must ask when will the property be transferred back to its United States owners.

*GENERAL SVIRIDOV:* All of the documentary evidence that the Hungarian Government has in its possession proves it to be German, that is 100 per cent German owned.

*GENERAL WEEMS:* If we submit evidence that it is 100 per cent United States owned, will it be transferred back?

*GENERAL SVIRIDOV:* Yes, it will be turned over to a representative of the government or the owner after documents are available showing how much is American owned. There is no Soviet representative in the Hungarian Reparations Office. I believe there will be very few such instances in the future as Hungary is not so willing to turn over property to the Soviets without proof as they are afraid of the United States Government.

Is there any question about British owned property?

*GENERAL EDGCUMBE:* There appears to be no difficulty up to this time.

*GENERAL WEEMS:* I have one more point that concerns the clearance of personnel.

*GENERAL SVIRIDOV:* I have had two letters from you regarding Mr. Erhardt and Mr. Dodd, representatives of the Department of Agriculture. On receipt of these letters I sent them to the High Command for their approval and I am expecting clearance in a day or so.

*GENERAL WEEMS:* In the case of Mr. Dodd, he was due here between the 15th and 20th and unless I have definite information by tomorrow I must inform him that he is not cleared. Can you give me an answer as to clearance by eleven o'clock tomorrow?

*GENERAL SVIRIDOV:* I have power to grant clearances for your permanent personnel and Mr. Schoenfeld's permanent staff, but I have no power to decide on important persons. I must submit these to the Soviet High Command for their approval. In such cases I cannot guarantee any approval as I have no power to do so. I will call the Soviet authorities again and let you know as soon as possible. There are no cases of important people where you have been refused clearance. Have the British been refused?

*GENERAL EDGCUMBE:* Not any high government officials.

*GENERAL WEEMS:* I understand your position in reference to very important persons, but I would like to comment upon clearances of other officials of the military or foreign service. For example Captain Pfaltzgraf and Lieutenant Colonel Milton I. Wallace. They were requested here for special consultation yet their clearance was denied and no reason given. There were two others not acted upon and their request has been in your hands for a long time. Now this question of clearance for personnel, and I am not referring to VIP's, is wholly inadequate for the transaction of government business. I would like to recommend that each member of the ACC draft a proposed policy to permit clearances of officials of the government more promptly, and that a decision be made on this proposal. I feel we need a modification of the present policy concerning these governmental officers.

*GENERAL EDGCUMBE:* I apply for clearance of such officers for attachment to my Mission or to the office of the Political Representative and they have been approved. I wonder if there has not been a misunderstanding as to the way clearance has been requested.

*GENERAL SVIRIDOV:* The Americans submit requests for clearance just like the British except the Americans ask for five times as many.

*GENERAL WEEMS:* I can not understand why government officials should be refused. When I want an officer to report for consultation I expect favorable consideration on his clearance but these requests have been denied and no reason given.

*GENERAL SVIRIDOV:* If you will give me the names of the two officers I will call the Soviet authorities and find out why they were refused. (Names of Captain Pfaltzgraf and Lieutenant Colonel Wallace given to General Sviridov)

*GENERAL WEEMS:* Perhaps the reason there are more American clearances requested is because there are more Americans than British who want to enter Hungary and furthermore the American Zone is nearer to Budapest. I must say that this delay causes great inconvenience. I recall that in the Statutes [of the ACC] it says that action on clearances will be taken in seven days. Now in the month of June there were 41 requests for clearances which required more than seven days. This interferes with governmental functioning.

*GENERAL SVIRIDOV:* I must repeat that these people coming into Hungary who are members of the permanent staff of the political or military missions will be cleared within seven days and most have been cleared in two days, but clearances for other personnel of the War or State Departments or for business or newspaper men must be submitted to the Soviet High Command. If they do not grant clearance I must so inform you. The particular paragraph in the Statutes which you referred to only pertains to the regular members of the staff and clearances for them can be granted by the Chairman.

*GENERAL WEEMS:* This delay is quite inconvenient to us as it does not permit us to carry out the wartime American slogan "The difficult we do immediately, the impossible takes a little longer."

*GENERAL SVIRIDOV:* Perhaps we will not be worried about clearances very much longer as the Peace Conference will soon be over and then your people can come and go as they please. That is, if the Hungarians will let them.

*GENERAL EDGCUMBE:* In regard to clearances, I must say for the record that I was rather disappointed in that I had ten refusals of business men between the 10th of July to the 3rd of August. I hope that this clearance business will improve shortly.

*GENERAL SVIRIDOV:* I will do all I possibly can but perhaps the Soviet High Command desires to limit the number.

Is there anything further?

*GENERAL WEEMS:* I want to thank you for the complete explanation of the questions on this agenda, particularly that concerning United States property.

*GENERAL SVIRIDOV:* The British and U. S. Representatives at the last meeting requested a copy of the letter sent by me to the Hungarian Government. (Suppression of Catholic organizations.<sup>309</sup>) Marshal Voroshilov has informed me that as I gave such full details at the last meeting, which amounted to almost the complete letter, he saw no particular reason why it was important to send a letter and he asked me to request you not to insist in having a copy of the letter.

<sup>309</sup> See document 29 and footnote 254.

*GENERAL EDGCUMBE:* I will inform my Government. I will tell them exactly what you have said.

*GENERAL SVIRIDOV:* In actual fact, you know the contents.

*GENERAL EDGCUMBE:* My personal view is that I probably may have the information but I have a request from my Government for the letter and I will inform them exactly what you have said.

*GENERAL SVIRIDOV:* I now want to apologize for the inconvenience which was caused to General Edgcumbe in being detained by the Commandatura at Eger. This was due entirely to the clumsiness and to the illiteracy of the Soviet personnel. I am very sorry.

*GENERAL EDGCUMBE:* Thank you. I thought you would like to know about it.

*GENERAL SVIRIDOV:* The last question concerns a letter that General Weems has written regarding an incident concerning an American Sergeant and a Russian Officer. After complete investigation it was found that the American sergeant had a young lady at a restaurant in Buda and as the Soviet Captain Jermalov, who was on the Commandatura Staff, recognized the girl as an old friend of his he decided that he resented the American Sergeant making love to her and so he went over and told the girl to come with him. She did so. Captain Jermalov has been severely punished. He received fifteen days confinement and has been removed from the Kommandatura staff. He was the instigator of the incident and therefore at fault but this could have been serious as the American Sergeant later came back with two American officers to look for the girl and as they were armed and if they had found him, an incident might have occurred which would have caused embarrassment to both of us. It might have resulted in shooting and death, and therefore Captain Jermalov was punished.

*GENERAL WEEMS:* Thank you.

*GENERAL SVIRIDOV:* I consider the incident closed.

*GENERAL WEEMS:* I agree.

The meeting then adjourned.

711.9 Allied Control Commission, Record Group 84, Budapest Legation File, NA, Washington D.C.

## 34.

*Conference of 30 August 1946*

Minutes of a formal meeting of the ACC where matters concerning Articles 11 and 13 of the Armistice, Hungarian reparations to Yugoslavia, resumption of Schwabian expatriation, etc., were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

### NOTES

A meeting of the Allied Control Commission for Hungary was held at 15.00 hours on 30 August 1946 in the conference room of the Soviet Headquarters in Bajza utca, near Andrassy út, Budapest, Hungary.

The meeting was called to order by the Action Chairman, Lieutenant General V. P. Sviridov, who presided in the absence of Marshal Voroshilov.

Present were: *The United States Representation*: Brigadier General George H. Weems, Colonel John M. Stokes, Jr., Lieutenant Colonel Henry G. Simonite, Major Edward J. Czerniuk.

*The British Representation*: Major General O. P. Edgcumbe, CBE, MC, Colonel R. Patrick-Smith, Lieutenant Colonel P. C. Capron.

*The Soviet Representation*: Lieutenant General V. P. Sviridov, Major General I. I. Levushkin, Lieutenant Colonel M. I. Cherkasov.

The discussion was substantially as follows, subject to any discrepancies in the translation from Russian.

Note: No agenda was prepared by the Acting Chairman, but the following proposed agendas were submitted by the British Representation and the United States Representation:

#### *British Representation*

##### 1. *Report for UNO Sub-Commission on Economic Reconstruction of Devastated Areas.*

It is understood that a Report on economic situation of Hungary is required by the above Sub-Commission by the end of this month in connection with a Report on European reconstruction to the Economic and Social Council of UNO

##### 2. *Illegal Movement of Jews*

Referring to the discussion at the Meeting on the 15th of August<sup>310</sup>, it is understood that Exit Permits, approved recently by Gen. Levushkin for some 70 Jews to leave Hungary en route for Palestine, were cancelled when it was ascertained that the British Authorities had not given their permission for entry into Palestine. It is desired to know fuller particulars in this case and whether any other similar cases are known of.

##### 3. *Cost of ACC to the Hungarian Govt. under Article XI.*

It is desired to discuss the statement of the Prime Minister of Hungary made at a Meeting on the 14th of August that the ACC is costing the Hungarian govt. one million dollars monthly.

##### 4. *Hungarian Civil Air Communication within Hungary.*

It is desired to discuss the statement made in the Hungarian newspaper to the effect that aircraft with Hungarian markings and under the Hungarian flag will shortly be establishing a civil air service.

##### 5. *Clearances.*

(a) It is desired to discuss the question of a number of recent refusals, especially of Trade Representatives.

(b) In certain cases individuals cleared to visit Hungary travel by train. As they carry no Russian pass it is desired to know exactly what is the procedure to avoid them being stopped by Russian patrols on arrival at railway stations in Budapest.

##### 6. *Hungarian Reparations to Yugoslavia.*

From Press reports it is noted that Yugoslavia has agreed to postpone reparations and extend period to 8 years. It is desired to know for information of my Government whether any official information has been received about this by the Chairman, ACC

<sup>310</sup> See document 33.

##### 7. *Article XIII Armistice Terms and a Recent Communiqué by the Hungarian Reparation Office.*

The Hungarian Reparation Office has improperly published a communiqué calling on claimants of United Nations under Article XIII to submit their claims within 8 days and has done this without consultation or consent of the ACC

#### *United States Representation*

##### 1. *Change in Date of St. Stephen's Day Procession in Székesfehérvár.*

A letter has been received from the Bishop of Székesfehérvár<sup>311</sup> stating that police authorities granted permission for this procession fixed for the day of the 25th of August. It was understood that this date was set in order to permit the Prince-Primate to be present. He further states that on the 19th of August at 3:30 p.m. the local police informed him by telephone that the procession arranged and permitted by the police for the 25th could be held only on the 20th as a result of an order received from the Allied Control Commission. Information is desired as to whether any such order was given by the Allied Control Commission; and also why the date was changed by the police after once set for the 25th by the Bishop in charge, if not ordered by ACC.

##### 2. *Resumption of the Schwabian Expatriation Program.*

Agreement has been reached between U. S. Military Government authorities in Germany and the Hungarian Government by which the resumption of this program will begin on or about September 1. Copies of the agreement have been furnished the other Representations. The U. S. Representation will check the procedures followed in Hungary to see that the requirements are complied with. There is no objection to members of the other Representations participating in the inspection of these outgoing Schwabian trains.

##### 3. *Supplies for the Missions.*

On 15 August a meeting of the Staffs of the Representatives of the Missions along with certain Hungarian officials was held to discuss the matter of supplies for the Missions<sup>312</sup>. At this meeting my Staff Officer reports that General Levushkin stated that all requests of each Mission must clear through him for approval. This is not understood. The U. S. Representation does not propose to check the requirements of other Representations nor can we see any reason why such an approval should be made by other Representations. We are now working toward further economies and we invite any suggestions from other Representations and from the Hungarian Government.

##### 4. *Re-organization of the Hungarian Army and Police.*

Newspapers mentioned that the Prime Minister in his speech on August 13th at Bicske announced that the Hungarian Army and Hungarian Police would undergo a re-organization. Details of this re-organization are desired along with the number and types of organizations, both in the Hungarian Army and in the Hungarian Police, with specific information as to what reductions had been made in both forces, and particularly in the Political Police.

<sup>311</sup> Shvoy, Lajos (1879-1968), Bishop of Székesfehérvár

<sup>312</sup> The meeting was held on 14 August. See document 32.

*GENERAL SVIRIDOV:* The first question concerns the report required by the United Nations sub-Committee on economic reconstruction. This report is to be provided by the Hungarian Government. Do you wish to make any statement as to this report?

*GENERAL EDGCUMBE:* No, I merely received this request and submitted it to the Hungarian Government at the request of my Government.

*GENERAL SVIRIDOV:* I have referred the matter to Marshal Voroshilov and that is where it now stands. The UNO Sub-Committee is awaiting this reply but as it is a question of high policy and is not within the framework of the ACC I was obliged to send the matter to my Government and to Marshal Voroshilov. As soon as a reply is received I will let you know.

*GENERAL EDGCUMBE:* I understand.

*GENERAL SVIRIDOV:* The second item refers to the illegal movement of Jews. I have your letter of the 15th of August, however, it appears that in spirit of this communication 70 Jews received permission to proceed to Palestine from Hungary. This permission was granted by General Levushkin to a representative of the Hungarian Government who informed him that the British Government had no objection to it. General Levushkin believed the representative but as soon as he learned that the British Government had not given permission for these people to proceed the permits were cancelled. In the future General Levushkin will not be caught on the same hook. Furthermore, in the British letter it is stated that in certain areas Soviet trucks are being used to transport these people.

*GENERAL EDGCUMBE:* I stated that it was said that they were Soviet lorries.

*GENERAL SVIRIDOV:* There are many Soviet army lorries in Hungary and I will endeavor to check on the information. So far it appears that none of our authorities know anything about the matter and state definitely that no Soviet trucks were used. I found nothing to substantiate the statement either way but the military authorities are still investigating.

*GENERAL EDGCUMBE:* I would like to have any further reports.

*GENERAL SVIRIDOV:* The next question deals with the cost of the Allied Control Commission under Article XI. This was raised by both the United States and British Missions. In other words, you wish to know how many dollars or Forints the ACC is costing the Hungarian Government. Do either of you desire to make any statement in the matter?

*GENERAL WEEMS:* Because of the confusion existing with the stabilization of the currency, I do not believe that the Hungarian Government can say definitely how much money the Missions are costing. As the Hungarian Government is now furnishing supplies in an apparently satisfactory manner I suggest that we wait a few weeks in order to get a more accurate accounting of the costs.

*GENERAL EDGCUMBE:* I agree with General Weems and I would like to say that I was astonished at the sum given by the Prime Minister<sup>313</sup>. I cannot believe that this is the proper amount. At the meeting of the Prime Minister it became evident

<sup>313</sup> At this meeting the Secretary of the Supreme Economic Council, Zoltán Vas, stated that the Hungarian Government set aside 7.5 million Forints (approx. 645,000 Dollars) per month for the expenses of the ACC missions.

to me that the attitude of the Hungarian Government and its officials in controlling the supply of the Missions is very poor. At the same time, I am anxious, as I know we all are, to help the Hungarian Government at this time to get their currency on a sound basis. I have taken all steps possible to economize in the way of servants and food and I think we shall be able to make a saving for the government, but most of these steps could have been taken by the Hungarian Government itself long ago. I feel General Weems is perfectly correct in suggesting that we wait to find out the actual costs and that the Hungarian Government should be required to furnish a detailed account, probably by the end of September.

*GENERAL WEEMS:* I agree.

*GENERAL SVIRIDOV:* Therefore, in answer to the letter from the Prime Minister it should be stated that the American and British Representatives are of the opinion that a more accurate statement should be given in probably one month and during that period no change should be made in the present system of supply.

*GENERAL EDGCUMBE AND WEEMS:* We have had no letter from the Prime Minister.

*GENERAL SVIRIDOV:* In this letter to me, it is stated that all of the Representations on the ACC cost about 12 million Forints per month<sup>314</sup>.

*GENERAL EDGCUMBE:* I have not seen the letter, but I presume that no details were given as to how the Prime Minister arrived at the figure. Obviously the figure for August could only be an estimate if the letter was written during the month. I am perfectly willing for the reply to be made as you have stated. We do not want an estimate but the actual costs and I am sure that the statement in the letter must have been a guess. I would like to see a copy of the letter before I can intelligently discuss it.

*GENERAL SVIRIDOV:* (Reading from the letter). It states that a copy of this letter was sent to all the Representatives on the ACC and I presumed that you had received it.

*GENERAL EDGCUMBE:* I think we should have a copy of the letter before we discuss it.

*GENERAL SVIRIDOV:* I would like to state that the Soviet Section of the ACC and also the Czechs and Yugoslavs will receive cash for payment of their expenses in the future and they will receive nothing in kind. According to our calculations the cost for the Soviets, Czechs and Yugoslav Missions would amount to 300,000 dollars per month (3,486,000 Forints). This includes everything - food, repairs, fuel, light, gasoline, etc. We are arranging for the messing facilities and to pay the contractors in cash. The Prime Minister informed me that he hoped that the entire cost could be reduced to less than 500,000 dollars per month and that he even considered that a very large amount. That was the reason that we asked for a cash allowance. Naturally the greatest part of this sum is the Soviet's as we have provincial representatives in 25 areas. I will answer the Prime Minister in the terms mentioned by you. I have also a letter written by General Weems in which he objects to any requisition being approved by General Levushkin. I would like to say that we have never approved or disapproved any requisitions but have merely forwarded them.

<sup>314</sup> See Földesi, *ibid.*, pp. 35-44.

*GENERAL WEEMS:* I have since learned that the statement made by General Levushkin was mistranslated and that he did not intend to have us send requisitions to him for approval.

*GENERAL EDGCUMBE:* I noticed that you have requested payment for your operating expenses in the terms of dollars and not in Forints. I presume that this is because you do not believe that the Forint will remain stable and that you have used dollars to take care of any depreciation.

*GENERAL SVIRIDOV:* I would like to clarify my statement. From now on all figures will be shown in Forints and not in dollars.

*GENERAL EDGCUMBE:* Is there anything in the agreement between the Soviets, Czechs and Yugoslavs with the Hungarian Government to the effect that if the Forint alters in value that the payment will be altered accordingly to cover such a contingency?

*GENERAL SVIRIDOV:* Please understand that this request is for the month of September and we are not taking into account any element of inflation. If the prices rise our demand will rise accordingly.

*GENERAL EDGCUMBE:* I would like to state that the policy of my Government is not to receive a lump sum but to receive supplies and services in kind. In explanation, I might say that our Representation is kept as small as possible and if a lump sum of money were accepted it would be necessary to have a large staff to administer the Mission. My Government does not want to increase the staff and therefore it is impossible for us to supply ourselves. That is the reason that we do not care to accept any cash amount. Our personal needs are such that we cannot afford to send out new people to Hungary.

*GENERAL SVIRIDOV:* Well, if we can not all agree on a system we will each go our own way.

*GENERAL EDGCUMBE:* I think that is the best solution for the time being. Even the best of friends must do things differently occasionally.

*GENERAL WEEMS:* I agree.

*GENERAL EDGCUMBE:* I would like to have a copy of your letter to the Prime Minister in addition to the copy of the letter from the Prime Minister.

*GENERAL SVIRIDOV:* You will receive a copy of both letters.

*GENERAL EDGCUMBE:* I would like you to tell the Prime Minister that I am taking a personal interest in economy in view of his appeal.

*GENERAL WEEMS:* You may say the same thing for the United States Representation.

*GENERAL SVIRIDOV:* Well, I suggest that you make replies in your own words after receiving a copy of the letter and then you can not say I told the Prime Minister any lies.

*GENERAL WEEMS AND EDGCUMBE:* Agreed. We shall write the letter and send it through the Chairman of the ACC.

*GENERAL SVIRIDOV:* The next question concerns civil air communications. I would like General Edgcumbe to clarify this item.

*GENERAL EDGCUMBE:* My attention was drawn to a newspaper article in which it was stated that Hungarian civil aircraft service would begin soon and that the Soviet Government had handed over five planes to start the system. [I would like

to be informed by the Chairman how this happened as under the terms of the Armistice Hungary is not allowed to operate aircraft. When this was discussed with Marshal Voroshilov on the 15th of November<sup>315</sup> he said that Hungary would be forbidden to engage in any sort of flying. I know my Government would like to be consulted. As a matter of principle, it disagrees with this action as they understand the Hungarian Government is not allowed to operate any aircraft until after the Peace Treaty.

*GENERAL SVIRIDOV:* I have the Armistice terms in front of me and there is nothing that forbids the Hungarian Government to conclude economic treaties with other countries and accordingly they have concluded such treaties with many countries throughout the world and neither the British or the American Representatives have disagreed with this. The Hungarian Government has concluded an agreement with the Soviet Government and in their agreement there is a provision for a Soviet-Hungarian aviation company known as the MASZOVLET<sup>316</sup>. The shares in this company are held equally by the Soviet and Hungarian Governments and as payment for part of their shares the Soviet Government provided five aircraft. In my opinion this does not in any way violate the terms of the Armistice. It is not military aviation, nor it is military aircraft. The purpose of this company is not military but civil aviation and was formed for the benefit of the Hungarian and Soviet Governments and to aid their economy. If such an organization received aircraft, what would you propose to do? The answer is that they will fly. That is how I understand the facts and that is the answer to your letter.

*GENERAL EDGCUMBE:* I understand what you have said, but on the 15th of November 1945 Marshal Voroshilov, as Chairman of the ACC, stated that all flights by Hungarian planes were forbidden. I shall have to inform my Government and perhaps they will say that there is no objection. When we talked of the matter in November we discussed gliders, but it was decided at that time that it was within the province of the ACC to decide whether Hungary could engage in aviation. I shall have to ask instructions from my Government as to what to do. My Government plainly understood that all flying was prohibited after receiving the report of that meeting.

*GENERAL SVIRIDOV:* I will ask General Edgcumbe to add the statement that the Hungarian-Soviet Aviation Company was established about three months ago and known to everyone and as I see it each plane that is operated is half Soviet and half Hungarian, one wing belonging to each country, so to speak.

*GENERAL EDGCUMBE:* Are the pilots to be Hungarian?

*GENERAL SVIRIDOV:* They may be both, but probably there will be more Soviet pilots. The question discussed at the November meeting pertained to gliders which were considered to be military and such gliding clubs were forbidden. I was not present at that meeting so I do not remember everything that was said, but I am sure there was nothing forbidding a joint Soviet-Hungarian aviation company.

*GENERAL EDGCUMBE:* I remember quite clearly what was said at the meeting and the statement was made that all flying was to be forbidden. It is a matter of principle because before I can agree that Hungarian pilots can fly I must receive

<sup>315</sup> See document 14.

<sup>316</sup> MASZOVLET: Magyar-Szovjet Polgári Légiforgalmi Társaság (Hungarian-Soviet Civil Airlines Company).

instructions from my Government. Certainly permission was not granted by the ACC as a whole for Hungary to engage in aviation activities.

*GENERAL SVIRIDOV:* The statement made by General Edgcumbe will be passed to Marshal Voroshilov and to my Government and then the two governments can discuss the matter themselves and decide on government level.

*GENERAL EDGCUMBE:* I thank you for the explanation and I shall inform my Government of the discussion.

*GENERAL SVIRIDOV:* The next question concerns reparations to Yugoslavia. I have transmitted the letter which you have sent to the Prime Minister and it appears to me that this is a matter to be decided between the Yugoslavs and the Hungarians.

*GENERAL EDGCUMBE:* Thank you.

*GENERAL SVIRIDOV:* The next question pertains to claims under Article XIII of the Armistice. I sent a note to Eröss János of the Reparations Office and he replied that he had placed this notice in the paper in order that the claimants under Article XIII could file their claims and so that they would not lose their property by not having had notice to file such claims.

*GENERAL EDGCUMBE:* In my opinion, the Hungarian Government has no right to publish a notice to any subject of any of the United Nations as this plainly conflicts with the terms of the Armistice. This notice may have been intended as a warning but as it was worded it sounded like the Hungarian Government might decide to refuse to pay such claims if the claimants did not file their claims within eight days. They have no right to deny any claim, whether it is filed in eight days or not. In Article XXIII of the draft Peace Treaty with Hungary claimants are given twelve months after the Peace Treaty is ratified to make their claims<sup>317</sup>. The Hungarian Government was clearly wrong in issuing such a statement as any such matter is within the purview of the ACC, or later within the terms of the Peace Treaty.

*GENERAL WEEMS:* I agree. They have no authority to issue such a statement and they should be told so.

*GENERAL SVIRIDOV:* Which is the best way to convey the information to them?

*GENERAL EDGCUMBE:* I think they should cancel the statement and publish another notice to all claimants to the effect that the first statement was without prejudice as to final claims. I know that in the case of Great Britain all claims will be made through the government and not made individually. I have made this statement before at meetings. The Hungarian Government could request advance information but this would be without any prejudice.

*GENERAL WEEMS:* That would be satisfactory, and it should be plainly stated that the notice was incorrect.

*GENERAL SVIRIDOV:* I understand and I shall call Eröss János and tell him to withdraw it and to publish a new notice based on information received from the Missions. If he requires information as to the type of notice, he should consult the Missions personally.

*GENERAL EDGCUMBE:* That would be satisfactory. This concerns not only the United States and Great Britain but all the United Nations.

<sup>317</sup> In accordance with Article 24 of the Peace Treaty, claimants were given six months to make their claims.

*GENERAL SVIRIDOV:* Perhaps there may be some Russian claims too.

The next question concerns the complaint of the Bishop of Székesfehérvár as to the St. Stephen's procession. The ACC did not give orders prohibiting that procession. They have never given such an order and never will. The refusal to the Bishop for the procession was made by the Commandatura of the city on the ground that St. Stephen's Day was August 20th and they wanted to hold the procession on the 25th, and as the 25th was to be a day when sports were scheduled he thought that it would cause confusion and demanded that the procession be held on the 20th, the same way as Budapest. The Bishop was not satisfied and went to the representative of the ACC, who told the Bishop that he could not change the order of the Commandatura. After that he wrote the letter to General Weems. I am informed that Mass was permitted to be held at the church and that there was a small procession around the church and that the sports were also held without any conflict. The Cardinal was present and everyone seemed to enjoy themselves.

*GENERAL WEEMS:* I recognize that many things are done in the name of the ACC by certain people although the chiefs of the ACC probably know nothing about it.

*GENERAL SVIRIDOV:* The next question concerns the expulsion of the Schwabs. Is there any statement that you want to make concerning this?

*GENERAL WEEMS:* Nothing, except that I would like to state that there is no objection to any of the other Representations sending persons to inspect the outgoing trains as we are doing. If the other Representatives desire to know the loading points, dates, etc., we would be glad to furnish them.

*GENERAL SVIRIDOV:* Thank you. There will be a Soviet representative present.

*GENERAL EDGCUMBE:* I shall also send representatives.

*GENERAL SVIRIDOV:* The next question concerns the reorganization of the Hungarian army and police force. I wish to state that there is no reorganization now or any planned for the future. The Hungarian army still has two divisions, border guards and a rail operating group. There are also the staffs of the ministries, army hospitals and representatives in sub-area districts, together with one mine sweeping unit. They have demobilized the older classes of the army but have not called up any younger classes as yet. The remainder of the army is concentrating on training and supplying the troops that it now has before calling up any new classes. They have about 15,000 men including War Department and Border Guards and they will be supplied and trained properly before the army is increased. As to the police, at the present time there are none stationed in the small villages. There are police in the county towns and in Budapest. The political police force has been liquidated to the extent of 6,000. I do not know the total remaining in the police force. They have also decided to adequately train and supply the police.

*GENERAL WEEMS:* I am a little confused. You state that the political police have been reduced but in a newspaper article in the "Magyar Nemzet" on 28 August the Minister of the Interior<sup>318</sup> is quoted as saying that the political police will be reorganized and increased and that all police will be given six months training in special police colleges.

<sup>318</sup> Rajk, László (1909-1949). Minister of the Interior from March 1946 to August 1948. He was arrested in May 1949, sentenced to death and executed in 1949, rehabilitated in 1955, reburied on 6 October 1956.



*GENERAL SVIRIDOV:* I have not seen this article but I will try to get the data. Sometimes the papers do not get the facts right. I believe that the political police are being decreased and that they are concentrating on supplying and equipping the remainder of the police properly. The political police were the only ones cut down.

*GENERAL EDGCUMBE:* Does the political police only exist in Budapest?

*GENERAL SVIRIDOV:* No, in all towns, but not in villages. They have decreased the number of towns from 200 to 25, however.

*GENERAL EDGCUMBE:* I saw in the paper that internment camps were to be reduced from 25 to two or three and that political prisoners would be granted amnesty.

*GENERAL SVIRIDOV:* I only know about as much as you do. According to the information have from Minister of the Interior Rajk, it was intended to reduce the internment camps from 25 to five and that all petty offenders would be granted amnesty and released if politically safe. The Minister of the Interior is now engaged in checking all of the cases and the petty offenders will all be released.

*GENERAL WEEMS:* Thank you.

*GENERAL SVIRIDOV:* The next question concerns clearances. Many requests have been made for clearances for clerics and business men but I must state that the previous requirements are still in force and they will not be altered, and as General Weems and General Edgcumbe have both raised the question I have decided to review all of the pending cases. After studying them, if I find that any of the persons for whom clearance has been requested should be permitted to enter, I will inform you. Of course this will be only done if authorized by the occupying forces. I would like to have a clarification on one matter: There is a letter signed by Colonel Stokes requesting a clearance for nine people to bring in food and supplies for trade unions and students. What organization is this?

*GENERAL WEEMS:* This is the American Friends Service Committee.

*GENERAL SVIRIDOV:* All such food at the present time must be turned over to a government agency, of whom the Prime Minister is Chairman. Will this group bring in food for the government agency or for private charity?

*GENERAL WEEMS:* I will give you full information in a supplementary letter, but as I mentioned in my letter this project has been approved by UNRRA and by the Hungarian Public Welfare Minister<sup>319</sup>.

*GENERAL SVIRIDOV:* I believe there will be no objection to it coming in. I will consult the occupation forces.

*GENERAL WEEMS:* I suggest that you consult the Soviet Representative on UNRRA as he has full details.

*GENERAL SVIRIDOV:* I believe the matter will be cleared up satisfactorily.

The next question concerns clearances for the consular section of the United States Legation. It is requested that the time for leaving Hungary be extended from one to three months. I would like you to inform Mr. Schoenfeld that the present system will remain in force, that is, clearances will be issued for one month.

*GENERAL WEEMS:* Can we apply for an extension in cases where people are not able to leave in one month?

*GENERAL SVIRIDOV:* Yes, you can apply for such an extension.

<sup>319</sup> Molnár, Erik (1894-1966), Minister of Public Welfare from 1944 until 1947.

*GENERAL WEEMS:* I want to be sure I am right. This concerns quite a large group. As I have to inform the Minister I want to be sure that I have the facts straight. As I understand it, you will extend these clearances from two to three months if requested.

*GENERAL SVIRIDOV:* We will extend them in each individual case. It would be preferable to wait until the last minute to ask for the clearance. Major Czerniuk of the Liaison section should assemble or collect the clearance passes and discuss them with Lt. Colonel Cherkasov. The position of Mr. Zalka is merely that of a clearing house for the ACC. He has no authority to extend or approve or disapprove passes.

*GENERAL WEEMS:* I understand.

*GENERAL EDGCUMBE:* I would like to ask one more question on clearances, referring particularly to the matter on my agenda.

*GENERAL SVIRIDOV:* I am reviewing all of the cases and I hope that we will be able to clear the matter up.

*GENERAL EDGCUMBE:* I have had 28 refusals this year and 20 of them were business men. My Government deems it to be in the interest of Hungary and Europe that representatives of trade should be permitted to enter Hungary. They are all sponsored by my Government and they are not coming to Hungary just to look around. Some of them arrive by train and they are without Russian passes. Of course they have passports but the border guards do not always honor them.

*GENERAL SVIRIDOV:* If such persons are coming from Vienna there should be no trouble as passes can be issued there.

*GENERAL EDGCUMBE:* That is true of those coming from Vienna, but they also come from Belgrade and Prague.

*GENERAL SVIRIDOV:* Yes, Vienna is alright. Why not send the passes to Belgrade or Prague by plane?

*GENERAL EDGCUMBE:* The difficulty is getting the passes to the individuals and of course we have no regular plane service with Belgrade or Prague.

*GENERAL SVIRIDOV:* Well, we might continue to try calling the frontier posts by telephone. I will get in touch with the commanding officers of the frontier points and see if we can arrange some sort of clearance procedure. There are no Soviets at frontier points and the Hungarians recognize the signature of General Levushkin.

*GENERAL EDGCUMBE:* I hope something can be worked out. It may be possible to telegraph to your representatives in Belgrade and Prague.

*GENERAL SVIRIDOV:* Yes, we will work something out.

The last item concerns the letter written about the trespass by Russian soldiers at the home of Colonel Simmonite. I have conferred with the military authorities in the district and they are still investigating the matter. They have not been able to identify any of the group. It would be of help if we had the number or the truck or some piece of clothing such as the bathing suit.

*GENERAL WEEMS:* They didn't wear bathing suits; that is the reason why we wrote the letter.

*GENERAL SVIRIDOV:* I am sorry about the matter and we are still trying to investigate and find out who were the offenders.

The meeting then adjourned.

### 35.

*Conference of 13 September 1946*

Minutes of a formal meeting of the ACC where matters concerning Articles 9 and 13 of the Armistice, Schwabians, and repatriation of Hungarians from the U. S. Zone in Germany were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

#### NOTES

A meeting of the Allied Control Commission for Hungary was held at 14.35 hours on 13 September 1946 in the conference room of the Soviet Headquarters in Bajza utca, near Andrassy út, Budapest, Hungary.

The meeting was called to order by the Acting Chairman, Lieutenant General V. P. Sviridov, who presided in the absence of Marshal Voroshilov.

Present were: *The United States Representation*: Brigadier General George H. Weems, Colonel John M. Stokes, Jr., Lieutenant Colonel James D. Wilmeth, Major Edward J. Czerniuk.

*The British Representation*: Major General O. P. Edgcumbe, CBE, MC, Air Commodore J. H. Simpson, Lieutenant Colonel P. C. Capron.

*The Soviet Representation*: Lieutenant General V. P. Sviridov, Major General A. M. Belianov, Lieutenant Colonel M. I. Cherkasov.

The discussion was substantially as follows, subject to any discrepancies in the translation from Russian.

Note: No agenda was prepared by the Acting Chairman, but the following proposed agendas were submitted by the British Representation and the United States Representation:

#### *British Representation*

##### 1. *Article XIII.*

Referring to a discussion at Meeting of 30th August<sup>320</sup>, it is desired to discuss the Note Verbale received from the Hungarian Ministry of Foreign Affairs a copy of which was sent to the Chairman and General Weems with letter 401(D) of the 2nd September.

##### 2. *Article XI and Provision of Supplies etc. for British Representation.*

Referring to a discussion at Meeting 30th August, letter 975/3 of 5 September to the Chairman requested him to inform the Prime Minister of Hungary of certain points in reply to the Prime Minister's letter of the 15th of August.

It is desired to ascertain that the requests to the Prime Minister are clearly understood.

##### 3. *Schwabians.*

Letter No. 977 of the 7th September forwarded copy of a letter from Cardinal Mindszenty, and as a result of this letter it is recommended that more publicity should now be given to the arrangements for deportation of Schwabians.

<sup>320</sup> See document 34.

#### *United States Representation*

##### 1. *Inspection of Schwabian Trains.*

Request was submitted for an officer of my Mission to proceed to Városlöd to inspect department Schwabian train (No. 9). The pass was not issued on the ground that "the Schwabian expulsion is suspended." The United States Representation has received no notice of the cancellation of train No. 9 from the Hungarian Government and desires to know whether the Chairman of the Allied Control Commission has information as to the prolonged suspension of the Schwabian expellee trains.

##### 2. *Non-Compliance by Hungarian Reparations Office with Instructions to Rescind Communiqué Regarding Article XIII of the Armistice Terms.*

At the meeting of the Allied Control Commission on 30 August 1946 the Chairman stated that the Hungarian Reparations Office would be instructed to publish a notice forthwith rescinding their communiqué which improperly notified claimants under Article XIII of the Armistice to submit their claims within eight days. It is assumed that the Chairman informed the Reparations Office of the decision of the Allied Control Commission, but no notice has been published to date in the Hungarian official newspaper. It is requested that the Chairman of the Allied Control Commission instruct the Reparations Office to comply immediately with rescission of this notice and explain why they have not complied previously.

##### 3. *Repatriation of Hungarian Nationals from United States Zone of Germany.*

The United States Representation is informed by the Hungarian Government that the Hungarian Government desires repatriation of their nationals now in the United States Zone of Germany to be consummated before cold weather sets in. United States authorities in Germany concur in this view. Present arrangements provide for two trains per week to arrive at Komárom. In order to expedite this repatriation of Hungarian nationals, it is desired that six trains per week be accepted in Hungary. The United States Representation would like to know if the Soviet occupational forces and the Soviet element on the Allied Control Commission concur in this view and will cooperate to this end.

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*GENERAL SVIRIDOV*: The first question was raised by General Weems. It is in regard to the non-issuance of a pass by the Soviet authorities to a member of the American Mission who desired to inspect Schwabian train No. 9. The reason this was denied is because the Russian occupation troops are conducting heavy maneuvers in this area, using live ammunition, and the maneuvers are still in progress. Further, at the present time there are no Schwabs being loaded in that area and so it was not considered that it was necessary that a pass be issued. The Schwabian movement has been stopped because the Hungarians apparently have no Reichsmarks with which to complete the agreement with the American Government.

*GENERAL WEEMS*: In this connection, I would like to bring up two points. Are the roads in this area closed because of firing? Secondly, I would like to state that it is our duty to inspect the pre-loading of Schwabian trains to see that the Hungarian Government is carrying out their agreement in regard to certain matters before the train departs.

*GENERAL SVIRIDOV*: In answer to the first question, firing is being conducted in this area and I cannot allow English or Americans to be exposed to fire. Also, there

are certain road blocks within the area which would not allow the passage of any one during this firing. In answer to the second question, I suggest that the American Representation send their inspectors to the Pécs area where Schwabs are now being selected. When the movement recommences, it is there that it will begin.

*GENERAL WEEMS:* Can the Chairman give me any information as to when the Schwabian movement will be resumed?

*GENERAL SVIRIDOV:* To answer honestly, I cannot say. I only know that the Hungarian Government has no Reichsmarks.

The second item on the agenda is proposed by General Edgcumbe. It is in regard to a letter from Cardinal Mindszenty in which he recommends that more publicity be given to the deportation of Schwabians. At this moment I do not know what to make public. The movement has not commenced.

*GENERAL EDGCUMBE:* I raised this point because this letter shows that the Cardinal, who occupies a very important position in Hungary, does not know what the arrangements are in regard to deportation of Schwabs. I think it should be made clear that the Hungarian Government is totally responsible for the movement and that the ACC is closely inspecting this movement to see that it is being properly carried out. It has been brought up in meetings of the ACC before that all possible publicity be given this subject.

*GENERAL SVIRIDOV:* At the present time the movement has not started and I am at loss to know what to ask the Hungarian Government to publish.

*GENERAL EDGCUMBE:* I request that when the movement is started that the Hungarian Government make the announcement and state that the responsibility for the movement and the responsibility for the selection of Schwabians is that of the Hungarian Government.

*GENERAL SVIRIDOV:* I see no objection to requiring the Hungarian Government to publish that information when the movement starts. Further, I would like to state that I did not receive a copy of this letter from Cardinal Mindszenty.

*GENERAL EDGCUMBE:* I assumed that the Chairman had received this letter. It was addressed to me as Chairman of the ACC and I considered that it was the English copy which was delivered to me.

*GENERAL SVIRIDOV:* The next item on the agenda is proposed by General Edgcumbe. It concerns Article XIII of the Armistice. In this connection, I would like to give a short account of what has taken place since the last meeting when we discussed the announcement made in the paper by János Eröss, Minister of Reparations. János Eröss was ordered to place a notice in the paper to the effect that claimants under Article XIII would not be required to file their claims within eight days. He did not do this. I therefore sent for him and told him he must do three things: one, that he must announce in the press that his decree requiring claims to be filed within eight days was revoked; two, he must give an explanation to the ACC why he had made this announcement without the authority of the ACC; three, if he desired the amount of claims, he should make his request through the ACC. Instead of doing this Eröss János wrote a Note Verbale to the British and American Diplomatic Missions. In this Note Verbale he requested the amount of damages in detail which British claimants were demanding. He further made it appear that it was the desire of the ACC that the British Mission furnish this information. The ACC knew nothing

about this. For this reason I again sent for Eröss János. I asked him to explain why he had not carried out the orders of the ACC. He replied that he would. Instead of giving an explanation, he wrote a letter to General Levushkin in which he attacks Colonel Grazhdanov. I investigated this matter and have found that Eröss János has never consulted Colonel Grazhdanov in regard to this matter. It later came out that Eröss János published his notice requiring claimants to file their claims within eight days because the Hungarian Delegation at the Paris Conference required these figures. Since he did not have sufficient time to procure them he published the notice in the paper. Again in the letter to General Levushkin, he brings up the condition that those who do not put in claims cannot get damages. He desires to put on the wireless and in the press the following notice: "The Hungarian Government will in the future accept claims of United Nations nationals." Nevertheless, he further in this letter requests permission to include a 30 day time limit, after which no claims will be considered. This is the position of Eröss János. He is stubbornly resisting carrying out the orders of the ACC. What do you propose in the way of action against this man?

*GENERAL EDGCUMBE:* I suggest that the ACC give a definite order to the Hungarian Government and not to Eröss János, that the order of the ACC be carried out. Further, Eröss János should be informed that this matter is at present being discussed in Paris at the Peace Conference and that the ACC and the Hungarian Government have no authority in regard to this matter. A time limit for the filing of claims has been placed in Article XXIII of the Draft Peace Treaty. In this Draft Peace Treaty the time limit for filing of claims is twelve months. It would be a very difficult matter to obtain the figures on damages here in Budapest.

*GENERAL SVIRIDOV:* Eröss János understands all of this. He has a copy of the Draft Peace Treaty. What can we do about it? What action shall we take against him? Also, in the matter of supply of the ACC Eröss János has done much harm.

*GENERAL EDGCUMBE:* I think that a written order should be given to the Prime Minister, in the name of the ACC, requiring the Hungarian Government to carry out this order.

*GENERAL SVIRIDOV:* All orders in this matter have been given verbally to Eröss János. He is the man who published this notice in the newspaper and so all orders for revocation of this notice have gone to him. He is the head of the Reparations Office. Do you not think at this time that we should request that Eröss János be removed?

*GENERAL WEEMS:* I think that a letter should be sent to the Prime Minister, telling him that one of his subordinates has not carried out the instructions of the ACC. If the orders are not then carried out, Eröss János should be removed.

*GENERAL EDGCUMBE:* I agree. It should be a very strong letter with a time limit for compliance. After this, if the order is not carried out other steps must be taken.

*GENERAL SVIRIDOV:* I understand that I must write this letter. Would it not be better for General Edgcumbe to write the letter?

*GENERAL EDGCUMBE:* I feel that the letter should be sent by the Chairman. I know we can rely on General Sviridov to write a strong letter. In this letter it must be pointed out what has taken place. General Sviridov has first-hand information in regard to this. I believe his letter would be better than mine.

*GENERAL SVIRIDOV:* I will write the letter.

*GENERAL WEEMS:* Can we have a copy of your letter and also a copy of the letter which Eröss János wrote to General Levushkin?

*GENERAL SVIRIDOV:* Yes, I will send them to you.

The next item is brought up by General Weems, the repatriation of Hungarian nationals from the United States Zone of Germany. Everything in regard to this movement has been done and the movement has been started. The question of the passage of more trains has been raised but only two trains per week from the American Zone and two per week from the British Zone can be authorized at this time.

*GENERAL WEEMS:* Would it be possible to increase from two to six trains per week in the American Zone so that the movement could be completed before cold weather sets in?

*GENERAL SVIRIDOV:* I have discussed this matter with the Soviet authorities in Austria. At present only two per week can be accepted from the American Zone. Maybe later it can be increased. I have no authority in this matter and can only ask my higher headquarters for an increase in the number of trains. I will ask them again next month to increase the number from the American Zone.

*GENERAL WEEMS:* I would appreciate it if you would let me know as soon as possible the answer in regard to the increase for next month.

*GENERAL SVIRIDOV:* The next item on the agenda is item number two of General Edgcombe's agenda. In this connection, I can state that the Prime Minister understands the points in question. In this connection, the Prime Minister has not as yet replied to the letter.

There are no other points on the agenda before the meeting. I have a matter of information to convey to the American and British Representations. At the last meeting General Weems raised the question of the reduction of the Hungarian Police. At that time I stated that my information was to the effect that a reduction of 6,000 had been made and that this reduction of 6,000 was entirely in the Political Police Section. Since that meeting I have conferred with the Minister of the Interior and have received from him correct figures. The Political Police of the Hungarian Government are being reduced by 1,500 only. The ordinary police are being reduced by 10,000. These reductions are now in the process of being carried out. I apologize for having given you incorrect information. The information I have just given you is the correct information.

*GENERAL EDGCUMBE:* May I ask one question about the Russian-Hungarian aircraft flying in this country? This matter was brought up in the last meeting of the ACC. I reported this matter to my Government and they desire to know whether the Russian-Hungarian aircraft company is to schedule flights only within Hungary or does this company intend to schedule its flights to other countries also.

*GENERAL SVIRIDOV:* I must inform General Edgcombe that I have no information in regard to this company. If you are interested, however, I will attempt to get this information for you. All that I know about this company is that they are now not flying any airplanes on any schedule.

*GENERAL WEEMS:* I have one other matter not on the agenda which I would like to bring up. I have just received information from a Hungarian official that one or more trainloads of Austrian POW's from the Crimea have been unloaded here in Hungary. The Hungarian Government have asked us if we can load these Austrian

POW's on trains which bring in Hungarians from Austria. I have received no instructions from the American authorities in Austria in regard to this but feel that they will cooperate in returning the Austrian POW's. Can I have information in regard to the Soviet method in shipping Austrian POW's from the Soviet Union?

*GENERAL SVIRIDOV:* I do not know of any POW's that have been returned from the Soviet Union. The only POW's that I know of that have been returned are the 25,000 Hungarian POW's<sup>321</sup>. This has been publicized in all newspapers. Further, neither the Soviet authorities in Austria nor the Hungarian Government has raised the question of transshipment through Hungary of Austrian POW's. If there were a shipment of Austrian POW's from Russia, it would be made direct to Austria without unloading in Hungary. I will look into this matter and clear it up and let you know about it.

*GENERAL WEEMS:* There is one other point that I would like to call to the attention of the Chairman. Apparently some of the occupation troops do not recognize the signature of General Levushkin. One of my officers, who had in his possession a valid pass signed by General Levushkin, was stopped by the control post at Székesfehérvár and although he had a proper pass, he was taken to the office of the Commandatura and delayed for 30 minutes.

*GENERAL SVIRIDOV:* That is one instance out of one thousand.

*COLONEL WILMETH:* I have been stopped and taken to the Commandatura by that control post three times.

*GENERAL SVIRIDOV:* I will look into the matter.  
The meeting then adjourned at 16.35 hours.

*711.9 Allied Control Commission, Record Group 84, Budapest Legation File; NA, Washington D.C.*

## 36.

*Conference of 30 September 1946*

Minutes of a formal meeting of the ACC where matters concerning the report of the UNO Sub-Commission, Hungarian civil air communications, issuance of permits, Article 13 of the Armistice, clearances, etc., were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

### NOTES

A meeting of the Allied Control Commission for Hungary was held at 14.15 hours on 30 September 1946 in the conference room of the Soviet Headquarters in Bajza utca, near Andrassy út, Budapest, Hungary.

<sup>321</sup> According to Hungarian sources, in spite of the Marshal's allegation, only 16,322 prisoners of war returned by December 1946 from the Soviet Union. See, Stark Tamás, *Magyarország második világháborús embervesztése*, Budapest, 1989, p. 58.

The meeting was called to order by the Acting Chairman, Lieutenant General V. P. Sviridov, who presided in the absence of Marshal Voroshilov.

Present were: *The United States Representation*: Brigadier General George H. Weems, Colonel John H. Stokes, Jr., Captain William N. Wylie<sup>322</sup>, USN, Lieutenant Colonel Henry G. Simmonite, Major Edward J. Czerniuk.

*The British Representation*: Air Commodore J. H. Simpson, RAF, Lieutenant Colonel P. C. Capron.

*The Soviet Representation*: Lieutenant General V. P. Sviridov, Major General I. I. Levushkin, Lieutenant Colonel M. I. Cherkasov.

The discussion was substantially as follows, subject to any discrepancies in the translation from Russian.

Note: No agenda was prepared by the Acting Chairman, but the following proposed agendas were submitted by the British Representation and the United States Representation:

#### *British Representation*

1. *Report of UNO Sub-Commission on Economic Reconstruction of Devastated Areas.*

To ask if information now received.

2. *Statement of Expenses for each Representation of the ACC under Article XI for the Month of August.*

To know the cost of the various Representations to the Hungarian Government.

3. *Telephone Facilities, Hungary - Italy.*

To enquire as to the position.

4. *The Requisition of British Owned Factories.*

To enquire into the circumstances regarding the taking over of a British owned packing factory at Debrecen by a Hungarian. The factory concerned is owned by the Skat-Magyar Kereskedelmi Rt. <sup>323</sup> (a British owned Company) and was illegally taken over by a woman named Mrs. L. Weiller in the spring of 1945.

My letter BMH/401/57 of 7th August 1946 addressed to the Chairman, ACC, refers.

5. *Hungarian Civil Air Communications within Hungary.*

It is desired to discuss the establishment of the Mosvolot<sup>324</sup> Air Company.

6. *Reorganization of the Hungarian Army and Selection of Officers.*

To enquire into the present reorganization of the Hungarian Army.

7. *Issuc of Permits.*

To discuss the new arrangement of issuing permits for entry into and exit from Hungary and movement within Hungary.

8. To discuss proposed route for aircraft flying from Vienna to Budapest and return.

#### *United States Representation*

1. *Hungarian Repatriation.*

At the last meeting of the Allied Control Commission the Chairman stated that two trains from the American Zone and two trains from the British zone bringing

<sup>322</sup> Captain William N. Wylie, Head of Naval Division of the US Military Mission on the Allied Control Commission for Hungary.

<sup>323</sup> The author has no data available regarding this company.

<sup>324</sup> Erratum in the original text. The Soviet-Hungarian Civil Airways was called MASZOVLET.

Hungarian repatriates into Hungary could be received. On September 18th, we received a notice from the United States authorities in Austria that the Soviet authorities in Austria are accepting a total of only two trains per week, regardless of origin. I desire to know whether the Soviet authorities are prepared to receive in Hungary the two trains per week from the American Zone as indicated in last meeting, and also, when an increase in the number of trains from the American Zone may be expected as also was discussed at the last meeting<sup>325</sup>.

#### 2. *Article XIII. Armistice Terms.*

At the last meeting of the Allied Control Commission on 13 September the Chairman agreed to address a letter to the Prime Minister directing a retraction of the notice published in several newspapers on 23 August regarding an eight day limit for filing claims by United Nations nationals. I have the Chairman's letter of 16 September directed to the Prime Minister, but have not yet received the letter of 12 September sent by Dr. Eröss János to the Chairman of the ACC which was referred to at our last meeting. Before discussing this question further, I would like to have a copy of the letter from Dr. Eröss János referred to above.

#### 3. *Schwabian Expatriation.*

We have received information from the Hungarian Minister of the Interior that Schwabian trains Nos. 1 through 17, have been cancelled. It is requested that the Chairman of the ACC ask the Hungarian Government to give the estimated time for the resumption of this movement in order that I may advise the U. S. authorities in Germany. The Hungarian authorities should be reminded that cold weather will soon set in and that the U. S. authorities in Germany will determine the time when weather conditions will prevent an orderly and humane movement of these expatriates.

#### 4. *Clearance for relief and welfare organizations.*

At the meeting of the Allied Control Commission on 30 August mention was made of letters from this Representation asking for clearance for the American Friends Service Committee. The Chairman stated that he believed the matter would be cleared up satisfactorily and that there would be no objection to this Committee coming into Hungary. On 14 September clearance for this group was denied. It is suggested that an overall policy regarding entrance of welfare and relief agencies be established and announced. (Reference is made to the letters of 22 August, 28 August and 20 September).

#### 5. *Singer Varrógép R. T. of Budapest (Singer Sewing Machine Co.).*

Referring to my letters of 13 August and 20 September, information is desired as to what instructions have been given the Hungarian Government on the question of the Singer Varrógép R. T. of Budapest (Singer Sewing Machine Company) an American owned company, and also what action has been taken by the Hungarian Government thereon.

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**GENERAL SVIRIDOV:** The first question is one raised by General Weems regarding repatriation of Hungarians from the American Zones of Germany and Austria. I have personally discussed this question again with the Soviet military authorities in Vienna and General Marsov, the Chief of Staff of the ACC in Austria, says that he cannot understand why the matter was placed on the agenda here as it is his clear

<sup>325</sup> See document 35.

understanding that two trains each for the British and Americans are cleared each week. Evidently the holdup was caused in the American Zone and there must be some misunderstanding.

*GENERAL WEEMS:* I thank the Chairman for the information and want to state that at the time the agenda was prepared there was a temporary holdup. I actually knew nothing about it except that I had a message from the United States Forces in Austria that a total of two trains were being cleared each week, that is, one from the British and one from the U. S. I presume the four trains each week have now been cleared as scheduled. I will consider this question closed with one additional point, that is, does the Chairman know when an increase in the number of trains can be expected through the Soviet Zone, that is, from two to four trains per week?

*GENERAL SVIRIDOV:* I will discuss this matter with the Soviet authorities in Austria. Does this only apply to the American Zone?

*AIR COMMODORE SIMPSON:* No, the British would also like to have four trains cleared each week because of the onset of winter.

*GENERAL SVIRIDOV:* There are apparently very few Hungarians left in the British Zone.

*AIR COMMODORE SIMPSON:* I do not know the exact number, but the sooner they are cleared out the better.

*GENERAL SVIRIDOV:* I have the full data for September. A total of 4,212 were repatriated from the United States Zone and a total of 2,643 were repatriated from the British Zone. I suppose we can assume that this question is more or less answered.

*GENERAL WEEMS:* Yes, thank you.

*GENERAL SVIRIDOV:* The next question relates to Article XIII, which has been brought up for the third time. You have a copy of the letter that I sent to the Prime Minister and you have also received a copy of the letter Mr. Eröss János sent to the ACC. Besides that, I have discussed the matter in detail with the Prime Minister personally and the Prime Minister promised that the publication would be corrected, but up to now I have not seen any correction published. What would you suggest we do?

*GENERAL WEEMS:* Today I received a copy of a Note Verbale from the Foreign Office to the United States Minister in which it was stated that a correction of the notice would be published. I think we should let the matter rest until they have had sufficient time to make correction.

*AIR COMMODORE SIMPSON:* I would like to agree with the proviso that if it is not published by the next meeting the matter should be considered again.

*GENERAL SVIRIDOV:* I am under the impression that the letter I wrote to them was clear and did not have any double-meaning phrases.

*GENERAL WEEMS AND AIR COMMODORE SIMPSON:* From the translation, the letter appeared to be very clear.

*GENERAL SVIRIDOV:* Well, since it is agreed that the letter is clear I suggest that we wait until the Hungarian Government takes some action.

*GENERAL WEEMS AND AIR COMMODORE SIMPSON:* Agreed.

*GENERAL SVIRIDOV:* The next question is one raised by the British and it pertains to the United Nations Economic Sub-Commission for Devastated Areas. I have received instructions from Marshal Voroshilov and I shall discuss it within the

next two or three days with the Prime Minister and shall send you a letter containing the gist of the conversation after the discussion has taken place.

*GENERAL WEEMS:* I shall await a copy of the letter.

*GENERAL SVIRIDOV:* The next question relates to Article XI. I have just received a detailed report of the expenses for the month of August.<sup>326</sup> I might state that these items do not include repairs to buildings or rent, and it is also very interesting to note that the Hungarian Government, in spite of my order to them not to continue to make repairs on buildings, have proceeded to do so. One example is the repair of the French Legation. I believe that somebody in the government, or some contractor, is interested in keeping up this work. I also would like to state that the Park Club is not included in these figures as this is a different matter altogether. The expenses for the upkeep of the Mission have been submitted for the month of September. I would like to ask General Weems and Air Commodore Simpson if they have reconsidered the proposition of the Hungarian Government to accept cash in lieu of services and supplies in kind.

*AIR COMMODORE SIMPSON:* Yes, this was considered by General Edgcumbe, but it is against the policy of the British Government to accept cash because we do not have a sufficient administrative staff to do so, and also because we believe the Hungarian Government is in a better position to do it. General Edgcumbe has already explained the position of the British Government in a letter and that explanation still stands.

*GENERAL WEEMS:* We have also given careful consideration to this matter and concluded that it is much more expedient for the Hungarian Government to handle the administration of the Mission and we believe that they should continue to do so, first because changing the plan would cause added expense to the Hungarian Government, and secondly because it would be necessary to increase the size of our Mission if we handled it ourselves.

*GENERAL SVIRIDOV:* Well then, I suppose that the method of supply for the British and Americans should not be changed.

The next question relates to the expatriation of the Schwabs. I would like to state that the Hungarian Government does not have sufficient Reichsmarks in its possession to comply with the terms, and so when this movement will resume I do not know. I believe, therefore, the matter should remain on the agenda.

*GENERAL WEEMS:* Yes, it should remain on the agenda as our authorities in Germany will want to know when the movement is resumed, but in view of the approaching cold weather it should be made quite clear that the movement must be suspended shortly. Also, arrangements must be made to care for those who will arrive, before the cold weather sets in. I would therefore like to have a statement from the Hungarian Government as to when this movement might be resumed.

*GENERAL SVIRIDOV:* I discussed the matter with the Prime Minister and he remarked about cold weather setting in. He promised to write a letter in the matter and I am now awaiting it. As soon as it is received, I shall forward it to you.

*GENERAL WEEMS:* I should like to say that the situation is this: the Schwabian movement was planned to be resumed the first of September with 20 trains per month.

<sup>326</sup> In connection with the actual expenses of ACC see Document 31.

however, all the trains have been cancelled for September and three trains have been cancelled for October so far. These 23 trains have all been cancelled because the Hungarian Government did not fulfill the minimum terms required by the American authorities.

*GENERAL SVIRIDOV:* I assume that these trains which have not been sent out have been removed from the schedule.

*GENERAL WEEMS:* Yes, they have been removed, but unfortunately many Schwabians have been displaced, that is, expelled from their homes and are now compelled to live with other people and there are as many as three families in one house.

*GENERAL SVIRIDOV:* As far as I knew they were not removed from their homes.

*GENERAL WEEMS:* No, the fact is that many have been removed and resettled in other places, with as many as three families in one building.

*GENERAL SVIRIDOV:* I did know that some had been moved out in advance and new settlers moved in and Schwabians had to live in barns, but not very many.

*GENERAL WEEMS:* It is evident from definite proof in my possession that the Schwabians that have been dispossessed and expelled from their homes and property, and those that are to be moved, have complete misinformation on the subject and my investigation has disclosed that many of these people are under the impression that they would be moved to Russia or to other parts of Hungary. They all believed and have been told that this is all done at the instigation of the American Forces in Germany. I therefore want to make it very clear and to emphasize that proper publicity should be given out to the effect that this movement is being carried out under the terms of the Armistice Agreement and it is the responsibility of the Hungarian Government and not the responsibility of the American Government nor the ACC or United States Forces in Germany. I want to state that I intend to encourage all publicity and information on this subject in order that it may be made clear to all concerned, and particularly to the Schwabians, that this expulsion is not carried out at the instigation of the Americans.

*AIR COMMODORE SIMPSON:* I agree.

*GENERAL SVIRIDOV:* The information of General Weems' statement will be transmitted to the Prime Minister. I am aware of the burden that this indecision causes the Schwabians and the Hungarian Government.

The next question concerns the clearance of persons connected with welfare organizations. I would like to explain to General Weems and to Air Commodore Simpson that in Hungary we have relief agencies such as UNRRA and other welfare committees who provide food and clothing, such as the relief agencies from Sweden, Holland, Switzerland and Denmark. All such agencies have been authorized to enter the country. The personnel of these agencies were cleared because they intended to bring in many tons of food, etc., and because they had informed the Soviet ACC of the quantity of food that would be brought in. They were permitted to enter because they were going to distribute this food and relief articles all under the supervision of Mr. [Erik] Molnár, the Minister of [Public] Welfare (Note: Communist). It is not clear why this question was placed on the agenda. Does this refer to the nine people of the American Friends Service Committee?

*GENERAL WEEMS:* Yes.

*GENERAL SVIRIDOV:* I would like to state that you have asked clearance for these nine men in the Society of Friends but you have not said anything about them bringing in food or anything to the country. If they are coming in to set up kitchens, etc., will they distribute Hungarian food or not? The Hungarians are capable of distributing their own food.

*GENERAL WEEMS:* They are bringing in food. That information has been given to you.

*GENERAL SVIRIDOV:* If we could have the information of what kind of food they are bringing in, I will inform the Prime Minister and Mr. Molnár (Minister of Public Welfare) and I am sure the food will be allowed in. I understand their purpose is to aid students and school children, but how they intend to aid them is not understood.

*GENERAL WEEMS:* This particular committee is one of those welfare agencies that has been authorized by the United States Department of State and they are duly accredited and authorized as an American relief agency for service in foreign countries. All relief agencies that are not authorized by the United States are not permitted to come into the country. One of their representatives came to Hungary and conferred with the Minister of Public Welfare and with UNRRA and received permission of both the Welfare Ministry and UNRRA to come into Hungary and do their work. After the nine representatives arrive they intend to import food and clothing, sufficient to provide one meal each day to each technical school student, and they also intend to supply food and clothing to delinquent children who will be cared for in homes when established. They are prepared to spend \$100,000.00 in the performance of their duties, and inasmuch as they have been cleared by the Hungarian Government and approved by UNRRA, and since such relief work aids the Hungarian economy, I can see no reason for delay in their entrance to Hungary and the refusal to permit this much-needed relief activity.

*GENERAL SVIRIDOV:* You must tell us first how much food they will bring in and I will let them bring in supplies and clothing and then the Hungarian Welfare Ministry will distribute it as it sees fit. I have no objection to them sending in food and clothing, particularly if you will tell us how much, where it will be brought in, that is, the port, how it is coming into Hungary and the total amount that will be given, including the types of food and clothing.

*GENERAL WEEMS:* I do not understand this request inasmuch as the Ministry of Welfare has the complete picture and desires their entrance. These people are coming to make arrangements to set up the kitchens for food and, meanwhile, the food will be coming in. They must arrange for place for the food distribution centers.

*GENERAL SVIRIDOV:* I repeat that the Hungarian Government is equipped to do this itself. All I am interested in is how much food they will contribute.

*GENERAL WEEMS:* Of course they intend to bring food in, and I would like to state that if entrance clearance is refused to this accredited relief agency who has been investigated and is known to be trustworthy, such refusal is going to be attributed to the ACC. Therefore, I want to go on record as saying that I, as Chief of the United States Representation on the ACC, can see no objection to this relief agency coming

into Hungary to give relief to these people and which will incidentally aid the economy of Hungary. I intend to make this clear.

*GENERAL SVIRIDOV*: Perhaps the following method might be taken: You write a letter to the Hungarian Government, through the Soviet ACC, asking what relief they require and then send this estimate to your government. Hungary does not need people coming in for relief purposes with empty pockets.

*GENERAL WEEMS*: I wish to repeat that this agency has already committed itself to spend \$100,000.00 for food, etc., and that they have the approval of the Hungarian Government and UNRRA, and they have a committee prepared to spend their own money but not to turn it over to the Hungarian Government. If you desire to have the exact items of food that will be brought in, I will get it.

*GENERAL SVIRIDOV*: All right then, you write a letter to the Hungarian Government and ask them what kind of food should be brought in.

*GENERAL WEEMS*: The Hungarian Government has already approved the plan.

*GENERAL SVIRIDOV*: There was one person here already to discuss the plan for distribution.

*GENERAL WEEMS*: Yes, Mr. Weatherford was here for the preliminary plans and he made the arrangements with the Hungarian Government and UNRRA.

*GENERAL SVIRIDOV*: Well, let them send in the food first.

*GENERAL WEEMS*: Does the Chairman believe that five or six people coming in here to set up kitchens, etc., is too large an organization?

*GENERAL SVIRIDOV*: Let them send in the food and Hungary will distribute it themselves. There are plenty of organizations here.

*GENERAL WEEMS*: I will send the information that you have requested as to the type of food, etc., but I can not understand why it is necessary. Mr. Weatherford has already discussed this with the Hungarian Government.

*GENERAL SVIRIDOV*: Mr. Molnár does not know the kind of food that will come in.

*GENERAL WEEMS*: Mr. Molnár was in a conference with Mr. Weatherford and Mr. Sommers.

*GENERAL SVIRIDOV*: Why do not they ship the food in and turn it over to UNRRA.

*GENERAL WEEMS*: The UNRRA supplies are not turned over to the Hungarian Government.

*GENERAL SVIRIDOV*: Would you be kind enough to send a message to the relief agency informing them that the Hungarian Government would be more than happy to receive the supplies, but as to the organizing the Hungarian Government could do that themselves and I will help them.

*GENERAL WEEMS*: Carrying the thought further, I see no reason why these relief supplies should be turned over to the Hungarian Government any more than the UNRRA supplies, but I will try to find out the amount of food that will be shipped and how it will be shipped in.

*GENERAL SVIRIDOV*: I will not permit nine people from this organization to come in. Two can come in. I am sure that two people can do everything that is necessary.

*GENERAL WEEMS*: I do not know why they requested nine persons, but they are in the relief business and they have discussed it with UNRRA and the Hungarian Government and after consultation the figure of nine was decided.

*GENERAL SVIRIDOV*: How can we conclude this question? I have decided that two people will be acceptable from this agency and will approve that number.

*GENERAL WEEMS*: I do not know if the relief agency will approve the conditions set up by the Soviet ACC.

*GENERAL SVIRIDOV*: All right.

The next question is raised by the British and pertains to clearances for entry and exit into Hungary.

*AIR COMMODORE SIMPSON*: What I had in mind when I placed this question on the agenda was that this new system of clearances is not working satisfactorily. In my letter of the 24th I asked if more satisfactory arrangements could not be made. I would like to refer to three cases. First, Mr. Saunders, a British business man, who, however, is a resident of Hungary, was given clearance to leave but refused re-entry. Second, Mr. Vigadni, a resident of England, was cleared to enter but his exit clearance has been refused. The third is Mr. McDonald of BBC, who was requested by the Hungarian Radio Company to confer on radio programs; this clearance has been refused. These are three definite cases to show that the system fails. Under the new system it is necessary to request a clearance for entry or exit from Hungary and to request a second clearance for re-entry or re-exit. I want to know if the policy of one clearance for entry and exit still stands?

*GENERAL SVIRIDOV*: If Saunders is here on a permanent basis, all that is necessary for you is to write a letter asking for him to go in and out.

*AIR COMMODORE SIMPSON*: The other man was a resident of England and he has not been cleared to leave.

*GENERAL SVIRIDOV*: He will receive permission.

*AIR COMMODORE SIMPSON*: What about McDonald?

*GENERAL SVIRIDOV*: I would like to repeat once more that I can clear regular members of the Mission and war correspondents, but any business men or any war relief men or committees must be cleared by the High Command. The High Command considers it unnecessary for Mr. McDonald to come to Hungary and assist with the radio programs as the Hungarian Radio is carrying on properly at this time and can do without his assistance very well. I would like to amplify my statement as to non-regular members such as business men. During the last two and a half months the United States has requested clearances for 114 Americans, including the regular staff, and 32 UNRRA personnel, and they have requested clearances for 104 regular members. Out of this total, however, the United States has not availed themselves of 173 clearances which were granted. I do not understand why the applications are made if they are not used. In other words, more permits are submitted than necessary.

*GENERAL WEEMS*: I think that can be very easily explained because of the great delay in granting clearances. When the clearances have been granted, after a great delay, it is not always possible to complete the visit.

*AIR COMMODORE SIMPSON*: I would like to say something on this question of delay. Under this new system passes are obtained only three days a week but usually they are not ready till the following day and it takes four to five days longer than



previously. Also, clearances are requested for business men who are waiting to come in but after such a great delay they are not able to do so because they must use their time elsewhere.

*GENERAL SVIRIDOV:* When I heard how the new system was working I altered it and passes can now be obtained every day.

*GENERAL WEEMS:* We have here in Budapest a resident manager of the International Telephone and Telegraph Company who makes electrical instruments for reparations to be sent to Russia. It is also necessary for him to go to his factory in Bucharest. We have requested clearance for him from Budapest to Bucharest. He has been cleared to leave but he has not been cleared to return. Of course he is hesitant to go if he cannot come back to his business.

*GENERAL SVIRIDOV:* I will check on that. I wish to repeat once more that during the period of the Armistice and of the Soviet occupation of Hungary the Occupation Authorities have set forth policies which I am unable to alter and the clearances for people who are not members of the Allied Control Commission are entirely in the hands of the High Command of the occupying forces.

*GENERAL WEEMS:* I would like to bring up another case. On the 27th of September in a memorandum signed by Colonel Stokes, addressed to the Chairman of the ACC, through General Levushkin, clearance was asked for a party of four people headed by Mr. Eric Johnson. The Chairman may consider him to be a VIP but I would like to ask the Chairman to give his personal attention in his matter as his visit has been sanctioned by Secretary of State Mr. Byrnes<sup>327</sup> and Under Secretary of State Mr. Clayton.<sup>328</sup>

*GENERAL SVIRIDOV:* I will inform the Soviet Occupation Force High Command.

*GENERAL WEEMS:* They desire to come in here on the 6th of November.

*GENERAL SVIRIDOV:* The next question concerns the Singer Sewing Machine Company, and I would like to explain to General Weems the following: the Soviet representatives have not taken this company, on the strength of information supplied by General Weems. I wish to say also that the Soviets do not desire to take over any American property and the matter is in the hands of the Hungarian Government who will decide whether or not it belongs to the Germans or Americans. The Soviet representatives will not take over the firm until after the matter has been decided. I therefore quest that the company be required to furnish documents to show that it is American property; I mean documents that can be understood by everyone and these documents should be turned over to the Hungarian Government.

*GENERAL WEEMS:* In that connection, I would like to say that Friday last, definite proof was handed to the Representative of the firm showing that the firm is entirely U. S. owned and these documents have been turned over to the Reparations Office. I will see that a copy of these documents are sent to you for your information.

*GENERAL SVIRIDOV:* Thank you.

<sup>327</sup> Byrnes, James Francis (1879-1972), secretary of state of the United States between 1945 and 1947.

<sup>328</sup> Clayton, William Lockhart (1880-1966), under-secretary of state of economic affairs.

The next question concerns telephone communications between Hungary and Italy.

*AIR COMMODORE SIMPSON:* I have received a communication from the Allied Council in Italy stating that the circuit between Milan and Budapest can be put into operation if permission is granted by the ACC and if the Russian authorities in Austria will permit the operation of that line through that area.

*GENERAL SVIRIDOV:* Telephone communications between Italy and Hungary has been permitted by the Soviet High Command and the Hungarian Post and Telegraph Company is discussing the matter with the Austrian authorities as I presume it is necessary to make arrangements for tariffs, rent, etc.

*AIR COMMODORE SIMPSON:* Thank you.

*GENERAL SVIRIDOV:* The next question relates to the British owned factory which was handed over to a Mrs. Vyner in 1945. I spoke with the Hungarian Reparations Office in the matter and they agree with your statements that the property should be returned to its British owners.

*AIR COMMODORE SIMPSON:* Yes, I have heard today that the property is being returned.

*GENERAL SVIRIDOV:* The next question is the Soviet-Hungarian Aviation Company, MASZOVLET.

*AIR COMMODORE SIMPSON:* This question was brought up last meeting but I would like further information as to its operations.

*GENERAL SVIRIDOV:* No flights have been made by this corporation and I do not know when they will commence. The ACC has no control over it.

*AIR COMMODORE SIMPSON:* Do you have any more information?

*GENERAL SVIRIDOV:* The Hungarian Government can give you any information, through the ACC, but I can say that no airline is in operation yet.

*AIR COMMODORE SIMPSON:* It would be interesting for me to know as an airman whether the company will fly under Soviet or Hungarian registry.

*GENERAL SVIRIDOV:* Hungarian registry. The firm will be operated according to Hungarian law.

*GENERAL SVIRIDOV:* The next question relates to the organization of the Hungarian Army. At the moment there is no reorganization being carried out. The Hungarian Army has a total strength of 13,000 who are being equipped and trained and generally being put into first-class condition. They retain the same organizations, that is, two divisions, frontier guards, medical corps, military sub-areas, etc., but all at reduced strength. Possibly I may have some more information at the next meeting.

*AIR COMMODORE SIMPSON:* I would like to know how many officers are in the new army.

*GENERAL SVIRIDOV:* About 2,000.

*AIR COMMODORE SIMPSON:* Can we be given any information as to the selection of these officers, that is, to say, how they are picked and what steps are being taken to see that they are of a suitable type.

*GENERAL SVIRIDOV:* I had a conversation with the late General Tombor<sup>329</sup> as to the selection of officers and as far as I know the main question is to see that

<sup>329</sup> Tombor, Jenő (1880-1946), general, Minister of Defense died on 25 July, 1946.

they are "democratic" minded. Of course they must have the required education and the idea is to exclude "undemocratic" officers. However, both types are still in the army.

*AIR COMMODORE SIMPSON:* It would be interesting to know who is doing the selection at this time.

*GENERAL SVIRIDOV:* It has been decided that the Ministry of War would make all selections. There are no directives and he uses his own discretion.

*AIR COMMODORE SIMPSON:* Are you satisfied that everything is being done properly?

*GENERAL SVIRIDOV:* Yes, and no, but I am not in a position to order him.

*AIR COMMODORE SIMPSON:* I thought it was one of the duties of the ACC to determine whether the right types were being selected.

*GENERAL SVIRIDOV:* It has been a long time since my conference with General Tombor, but I will investigate the matter and find out. In any case, no reorganization is taking place at this time.

*GENERAL SVIRIDOV:* The next question relates to the air corridor from Vienna to Budapest to Bucharest. The air corridor between Vienna and Budapest remains the same, but the corridor to Bucharest is as follows: Budapest-Kecskemét-Szeged-Arad. This corridor has been established because it is being used by the Soviets.

*AIR COMMODORE SIMPSON:* Since writing the letter requesting this corridor I have learned that the Soviet authorities in Romania have established a corridor as follows: Bucharest-Alba Julia-Hungarian frontier (at a small village called Szakad<sup>330</sup>). This would bring the planes into Budapest directly over Szolnok. Now I do not care where the corridor is but it is obvious that we cannot have two corridors which do not meet.

*GENERAL SVIRIDOV:* You are right. There would be a difference in the corridors.

*AIR COMMODORE SIMPSON:* We only want one, but we would like to know which one.

*GENERAL SVIRIDOV:* I will look into the matter.

*GENERAL SVIRIDOV:* The next question relates to a stolen jeep. I have given instructions to organization commanders to investigate this matter and to apprehend the culprits.

*GENERAL WEEMS:* Which stolen jeep does this relate to?

*GENERAL SVIRIDOV:* To the jeep belonging to the Legation.

*GENERAL SVIRIDOV:* The investigation is being made and I will ask your complete cooperation as we may need further evidence.

*GENERAL SVIRIDOV:* This ends the meeting, and also the working day, and as we do not get paid for overtime I think we should adjourn. Meeting adjourned.

711.9 Allied Control Commission, Record Group 84, Budapest Legation File; NA, Washington D.C.

<sup>330</sup> Erratum in the original text. Probably the corridor went over the Hungarian village of Sarkad.

## 37.

*Conference of 17 October 1946*

Minutes of a formal meeting of the ACC where matters concerning Articles 11 and 13 of the Armistice, clearances, formation and regulation of new political parties, etc., were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

### NOTES

A meeting of the Allied Control Commission for Hungary was held at 15.00 hours on 17 October 1946 in the conference room of the Soviet Headquarters in Bajza utca, near Andrassy ut, Budapest, Hungary.

The meeting was called to order by the Acting Chairman, Lieutenant General V. P. Sviridov, who presided in the absence of Marshal Voroshilov.

Present were: *The United States Representation:* Brigadier General George H. Weems, Colonel John H. Stokes, Jr., Lieutenant Colonel Henry G. Simonite, Major Edward J. Czerniuk.

*The British Representation:* Major General O. P. Edgcumbe, CBE, MC, Lieutenant Colonel P. C. Capron.

*The Soviet Representation:* Lieutenant General V. P. Sviridov, Lieutenant Colonel M. I. Cherkasov.

The discussion was substantially as follows, subject to any discrepancies in the translation from Russian.

Note: No agenda was prepared by the Acting Chairman, but the following proposed agendas were submitted by the British Representation and the United States Representation:

### *British Representation*

#### 1. *Clearances for Entry of British Persons to Hungary.*

It is desired to discuss this question further with reference to our letter BMH/916/Sect. of the 5th. October, 1946.

#### 2. *Article 13 and Lists of British Property.*

These lists are passed to the Chairman, ACC, the last serial number being 69 with letter dated 19th. September, ref. BMH/401(B)/Econ/Fin. These lists are passed to the Hungarian Government but it is not clear whether the Hungarian Government distribute them to the Local Government Authorities as cases still arise from time to time, when British property is interfered with.

#### 3. *Article 11.*

It is desired to discuss certain points arising out of the Statement of Expenses for the British Representation for August.

#### 4. *Hungarian Police reorganization.*

It is observed from Press reports that some re-organization has taken place with the Political Police and that a new "Public Administrative Management Department"

has been set up. It is desired to ascertain whether any particulars of this re-organization are known.

#### *United States Representation*

##### *1. Economic and Financial Information from Hungarian Government.*

Referring to my letter to Acting Chairman of ACC of 11 September 1946 on this subject, I wish to know if any directive has been given to the Hungarian Government along the lines in my letter.

##### *2. Return of Hungarian Nationals now Interned in the United States.*

Reference letter of 18 July 1946 in the case of Princess Stephanie von Hohenlohe-Waldenburg and her mother, Baroness Mária Szepessy. My Government is interested in deporting these individuals to Hungary and I would like to know the decision by competent Soviet authorities in order that my Government may be notified.

##### *3. Return of American owned Property under Article XIII of Armistice Agreement.*

Referring to my letter of 23 September 1946 regarding the Vacuum Oil Company R. T., information is desired as to what steps are being taken to permit the return of these properties to their rightful owners under Article XIII of the Armistice Agreement.

##### *4. Hungarian Interests in Far East.*

I have received information from my Government that the former Hungarian Consul at Shanghai has requested that the Hungarian Government take steps to obtain the acceptance of a third power to care for Hungarian interests in the Far East. Information is desired as to whether the Hungarian Government has submitted such a request to the Allied Control Commission and if so, what action is contemplated.

##### *5. Formation and Regulation of New Political Parties in Hungary.*

On 7 June 1946 the Hungarian press carried releases on the formation of a new political party, the Freedom Party<sup>331</sup>. In connection with the formation and regulation of new political parties, the American Representative desires to express to the Soviet and British Representatives the view of the United States Government in this respect.

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*GENERAL SVIRIDOV:* The first question on the Agenda relates to the letter of General Weems dated 11 September (see Annex A) regarding the procedure for obtaining information from the Hungarian Government by the American Diplomatic Mission. I wish to state that the regulations of the ACC are such that if Mr. Schoenfeld, the American Minister, should correspond directly with the Hungarian Government all replies would have to be sent through the Chairman of the ACC; and the Hungarian Government will always reply through the ACC even though he asks for a direct reply. I cannot order Mr. Schoenfeld to desist from sending letters to the Hungarian Government, but the Hungarian Government, however, will always forward the replies to Mr. Schoenfeld through the ACC. In your letter you asked how this information relating to economic matters should be obtained. The information should be collected by the Hungarian Government and sent to the Allied Control Commission for transmission to Mr. Schoenfeld. Another way of doing it would be for Mr. Schoenfeld to get together with General Weems and compile a list of questions which would be sent to the Chairman of the ACC, who would send it to the Hungarian Government who, in turn,

<sup>331</sup> See footnote 245.

would obtain the answers and send them to the Chairman of the ACC who would then transmit them to Mr. Schoenfeld through General Weems. In other words, you should obtain the questions which Mr. Schoenfeld is interested in and send them to me and I will pass them on to the Hungarian Government who will reply through the ACC. If Mr. Schoenfeld does not agree to this method, the fact remains that the answer to any letter sent by him to the Hungarian Government will be forwarded to him through the Chairman of the ACC.

*GENERAL WEEMS:* That appears to my Government to be plainly in contravention of the Armistice Agreement and the procedures of the Statutes of the Allied Control Commission inasmuch as the Statutes apply only to me as the chief United States representative. I wish to make it clear that my Government has recognized the Government of Hungary and an American Minister is accredited to Hungary and so my Government can see no reason why matters of economic and financial nature could not be handled directly between the Hungarian Government and the American Legation.

*GENERAL SVIRIDOV:* Will you kindly inform your Government and the American Minister of my original statement and say that the Hungarian Government is directly under the Allied Control Commission and that replies to any matters raised by Mr. Schoenfeld must be sent through the ACC as the ACC is in control of the Hungarian Government. This applies equally to any requests for information from all foreign representatives.

*GENERAL WEEMS:* In view of the importance of this matter, and in view of the request of my Government which I have set forth, I wish to request a written reply by the Chairman of the ACC to my letter of 11 September<sup>332</sup>.

*GENERAL SVIRIDOV:* I have no objection to answering the letter and a reply in writing will be sent to you tomorrow.

*GENERAL WEEMS:* Thank you.

*GENERAL SVIRIDOV:* The second question on the agenda was raised by General Weems and relates to the request of the American Government for Russian clearance to deport Princess Stephanie von Hohenlohe-Waldenburg and her mother, Baroness Mária Szepessy. As I recall, this case goes back to 1938 or 1939 when the Baroness was mixed up in some pro-Nazi activity in France and asked to leave. She then went to England and after an incident there, they asked her to leave and she went to Germany where she was a close friend of Hitler, and later went to America. I am amazed that she was not arrested.

*GENERAL WEEMS:* They were arrested in the United States and my Government now wants to get rid of them.

<sup>332</sup> In his letter of 11 September, 1946 General Weems stated that, according to the American Government, this method of communication had no valid basis, since the Status of the Allied Control Commission applied only to the US Representative on the Commission and not to the American Legation. General Weems also called attention to the fact that there were official diplomatic relations between Hungary and the United States and that Political Representatives of the United States in Romania and Bulgaria enjoyed free access to the organs of these Governments. The Chief of the American Military Mission strongly demanded prompt steps on the part of the Chairman of the ACC to make it clear to the Hungarian Government that requests of the US Legation need not to be made through the ACC. 7119 Allied Control Commission, Record Group 84, Budapest Legation File, NA, Washington, D.C.

*GENERAL SVIRIDOV:* Then if she comes here Hungary can hang her.

*GENERAL WEEMS:* All we want is to get her out of the United States and all we ask for is clearance to enter Hungary.

*GENERAL SVIRIDOV:* Well, looking on the other side of the picture, the Schwa-bian movement is about to commence. As I understand, they have the Reichsmarks and if she were returned here it would be necessary to deport her to the American Zone of occupation as she is of German descent.

*GENERAL WEEMS:* That may be so, but she is a Hungarian citizen and it is up to the Hungarian Government to decide what to do.

*GENERAL SVIRIDOV:* I have not discussed this matter yet with the Hungarian Government. I shall discuss this within the next few days and if they tell me that they will allow her to come it will be all right with me. I do not know who can give the answer but I will find out from the Hungarian Government within the next several days.

*GENERAL WEEMS:* The Hungarian Government has said that they will receive her.

*GENERAL SVIRIDOV:* I did not know that. What Minister gave that permission?

*GENERAL WEEMS:* I believe it was the Foreign Office.

*GENERAL WEEMS:* Will you then give me an answer to my letter of 18 July?

*GENERAL SVIRIDOV:* Yes.

*GENERAL WEEMS:* Thank you.

*GENERAL SVIRIDOV:* The next question relates to the return of American-owned property under Article XIII of the Armistice Agreement, particularly the storage plants, etc., of the Vacuum Oil Company. I have received your letter on this subject and have initiated action by recommending to the occupation forces that this property be released. I have not received a reply from the occupation forces but as soon as I receive such reply I will forward it to you, I will investigate this matter in detail.

*GENERAL WEEMS:* Thank you very much. There is one more point. There is a detachment of one officer and eight men in the Almásfüzitő Refinery and they should be removed.

*GENERAL SVIRIDOV:* Well, I have received information that there is no detachment at that refinery but I will check the matter again.

*GENERAL WEEMS:* Thank you.

*GENERAL SVIRIDOV:* The next question on the United States agenda relates to the protection of Hungarian property in the Far East. I have discussed this matter with the Prime Minister and he was surprised to learn that there is any Hungarian property in the Far East. I do not understand why such property should be taken under United States protection.

*GENERAL WEEMS:* The request was not that the property be taken under protection of the United States Government but that the property be placed under the protection of a third power, whoever the Hungarian Government may request. It is possible that I have received incorrect information and it may be that the Hungarian Government has not made such a request, but I believe they will soon ask for a third power to protect this property and I am willing to postpone the matter until the Hungarian Government makes a request on the Allied Control Commission.

*GENERAL SVIRIDOV:* Then I understand that we will postpone action on this matter until the Hungarian Government makes a request.

*GENERAL WEEMS:* Yes.

*GENERAL SVIRIDOV:* The next question relates to the formation and regulation of new political parties in Hungary, particularly the Freedom Party<sup>333</sup>. I would like to have General Weems give me some information on this subject.

*GENERAL WEEMS:* I wish to make known at this meeting the views of my Government on the formation of new political parties in Hungary but before stating these views I would like to have information on the status of the petition for the formation of the Freedom Party.

*GENERAL SVIRIDOV:* The answer to that is simple. This party has been authorized to function many days ago and is now functioning as a political party.

*GENERAL WEEMS:* Is the party authorized to hold political meetings in Budapest and in the country?

*GENERAL SVIRIDOV:* Yes, it is already doing so. This information was given to the Prime Minister orally and by letter. That is to say, he was informed that the party was fully authorized. Of course if General Edgcumbe or General Weems have any objection the matter can be reconsidered.

*GENERAL WEEMS:* I have no objection and it is my understanding that on the 15th of July<sup>334</sup> the three of us on this Commission decided that there was no objection. I would like to ask the Chairman and my British colleague if this was not the understanding of the three of us. I wish to state that it is my understanding that at the meeting of the 15th of July the Chairman informed the British and American representatives that his reply to the Prime Minister stated that since the Prime Minister had permitted the party to be formed that the Chairman had merely acknowledged the letter and the receipt of the information submitted and had stated that the Allied Control Commission had no objection to the Party. However, I now understand that the Chairman has recently taken the position that the letter which he stated that he had written to the Prime Minister, and which was interpreted by the press as sanctioning the party, was merely an acknowledgment of the Prime Minister's letter and that the press now understands that the party is not authorized to function as a political party in Hungary.

*GENERAL SVIRIDOV:* Permit me to give you a detailed picture. On the initiative of the Hungarian Government, the Prime Minister wrote a letter asking for permission to form this new party. I could not give such permission until I had contacted Marshal Voroshilov. In the meantime, I sent a letter to the Hungarian Government saying that I had received the letter and I interpreted my letter to be merely an acknowledgment and this has created the misunderstanding. It is my understanding that I had not given permission but merely acknowledged the letter as I could not give permission until Marshal Voroshilov had approved. At the meeting I informed General Edgcumbe and General Weems that notice had been given. Soon after that the Marshal gave permission. Soon after I had received information from the Marshal, Sulyok Dezső wrote a letter to me but I learned from the Prime Minister that he was not ready to organize the party so the status now is that the party is authorized but he is not ready to organize it.

<sup>333</sup> See footnote 245.

<sup>334</sup> See document 29.

*GENERAL WEEMS:* That was my understanding of the July 15th meeting and I had the impression that the Chairman had merely acknowledged receipt of the letter.

*GENERAL SVIRIDOV:* It was understood by the Hungarian Government and the press that the authority had been given but I had to wait until Marshal Voroshilov authorized it and so I told them that they would have to wait.

*GENERAL WEEMS:* Well, now that you have received authority from Marshal Voroshilov, and now that we are all in accord that the party is authorized and permitted to function, I presume the party can now function as a political party in Hungary. This answers most of my questions, but the point that I wish to make is not concerned so much with this one political party but with the procedure. I realize that Marshal Voroshilov must give certain directives to the Deputy Chairman but I do not concede that one member of the Allied Control Commission should decide such matters alone but that it is necessary for all three representatives to agree. So for the record I wish to state that it is the policy and the view of my Government that the formation of political parties cannot be acted upon unilaterally. I therefore wish to give you a memorandum setting forth the views of my Government to be included in the minutes of this meeting (hands letter to the Chairman, Annex B<sup>335</sup>).

*GENERAL EDGCUMBE:* My recollection is quite clear on this matter. It was first mentioned on the 19th June<sup>336</sup> when General Sviridov informed us that the Prime Minister had no objection to the party and he informed General Key and me that the party was organizing and functioning. Then on the 15th of July we discussed the matter again and General Sviridov informed us that he had spoken to the Prime Minister and that all agreed that there was no objection to the formation of this party and I fully understood in my mind that on the 15th of July the party was fully authorized and functioning as of that date. I would like to add that it is the view of my Government that political parties are chiefly matters of interest of the Hungarian Government, just so long as they are within the spirit of Article XV of the Armistice Agreement, but inasmuch as Article XV concerns all of us the formation of new parties should be agreed upon by all of us and that my Government takes the definite position that the Soviets should not take unilateral action.

*GENERAL SVIRIDOV:* In accordance with the Statutes of the ACC, the Chairman brings up for discussion matters of policy and other matters are only brought up as matters of information for the other members. In this case, I received the application for the party and before I did anything I obtained the views of Marshal Voroshilov and after he had agreed I informed the Hungarian Government and permission was given. At the meeting in July neither General Edgcumbe nor General Weems raised any objection. As soon as I received the permission of Marshal Voroshilov, I informed the Hungarian Government.

<sup>335</sup> Appendix B not printed. In his letter General Weems on behalf of the US Government stated that the United States as a signatory to the Crimea Declaration and the Hungarian Armistice Agreement, and as a member of the ACC for Hungary should be consulted in any decision which governs the formation of new political parties and demanded that there should be full discussion before the final decision was reached. 711.9 Allied Control Commission, Record Group 84, Budapest Legation File; NA, Washington D.C.

<sup>336</sup> See document 28.

*GENERAL WEEMS:* The question seems to be clear for the most part, but the matter may come up again and I would like to have the Hungarian Government state the policies, program and composition of the Freedom Party as a basis for future discussion.

*GENERAL SVIRIDOV:* I regret that the party has no program or constitution as yet but I shall ask the Hungarian Government to obtain it and will forward it to you when it is ready.

*GENERAL WEEMS:* Thank you.

*GENERAL SVIRIDOV:* The next question concerns the clearance of British persons to enter Hungary. I have already stated my position as to clearances a number of times and if General Edgcumbe has anything new he would like to know I would be glad to answer him.

*GENERAL EDGCUMBE:* One of the questions that my Government spoke to me about on my recent visit to England concerns the large number of refusals of clearances for British subjects to enter Hungary, the majority of which were British business men. I understand that the Chairman must refer these clearances to the occupation forces but my Government takes the view that the only reason for refusing persons could be on security grounds and if some person is deemed undesirable or likely to be dangerous to the occupying forces or the Hungarian Government, such persons could be refused on that ground. However, these applications are made by my Government and they have investigated the people and found them to be reliable and consequently they cannot understand why they should be refused entry. This is particularly true since hostilities have been over in this area for about eighteen months. Now if the General is unable to give the reasons for this refusal, he might be able to arrange a meeting with the high officials of the occupation forces in order to obtain an explanation as to the reasons. The last point made in my letter is that my Government considers the visit of these business men not only to the interest of Britain and Hungary in promoting trade but of interest to all of the United Nations, including the Soviet Union, because it is to the interest of all of us that the economy of Hungary should be improved and this in turn would not only help Hungary but would help all of Europe in these difficult times. I have a list of the refusals here since the first of July. We always state in full in our requests the reasons for the visit, description of the individual, etc.

*GENERAL SVIRIDOV:* I wish to inform you as Deputy Chairman that I am not competent to change the decisions of the High Command. The occupation forces in all countries, including Japan, Italy and Germany, have established their own rules and every one knows that the Control Commissions in those areas are not able to alter the decisions of the occupation forces. A certain number are refused everywhere and the percentage of our refusals is no larger than in other places. From the first of July to the 10th of October, 158 persons were granted clearance and 23 were refused<sup>337</sup>. That is not a large percentage, only 7 per cent. I will try to get the High Command to grant three or four more.

<sup>337</sup> At this meeting a list was handed over by General Weems to General Sviridov containing names of 86 American military personnel, businessmen and civilians whose clearances were denied or not acted upon from June to September 1946.

*GENERAL EDGCUMBE:* Well, that may be true, but my Government cannot understand that after eighteen months from the end of hostilities business men should be refused entrance when there is no record against these people. Furthermore, from your figures as to percentages, it is clearly shown that 29 business men were cleared for entry and 23 were refused. That is to say, all of the refusals were business men. In other words there were 52 business men that requested entry and 23 of them were refused entry. You have stated that the percentage of refusals is small, only 7 per cent, but the percentage of refusals of business men is very large, well over 40 per cent, and I consider that to be extremely high.

*GENERAL SVIRIDOV:* You must appreciate my position. I am a small man here. It might ease the situation if your Government could take it up with my Government, who could issue a directive to the High Command.

*GENERAL EDGCUMBE:* Well, there is another matter. Yesterday I received a telegram from my Government requesting information as to when persons who have private reasons for entering Hungary would be permitted to come in. Up to now people have only been allowed to enter for compassionate reasons and my Government does not consider prohibition of private individuals when hostilities have been over for 18 months be justified. There are not many private persons who wish to come in but the ones that do should be permitted. I suppose General Sviridov will only repeat what he has said before, but I want to bring this point out.

*GENERAL SVIRIDOV:* I will repeat. The occupation forces in all countries refuse clearances and I suggest that it be taken up with the governments. We have refused less than 10 per cent, but 10 per cent is the average in other countries like Italy and Japan.

*GENERAL EDGCUMBE:* I will inform my Government accordingly.

*GENERAL WEEMS:* I would like to present a list of refusals since June and stress the point that General Edgcumbe made that it would be advisable to meet with the occupation forces in order to work out a system to obviate the trouble and delay of taking the matter up on government level. (Gives Chairman list – See Annex C<sup>338</sup>.)

*GENERAL SVIRIDOV:* All occupation forces have established rules and I can prove that the British and Americans have stricter regulations in their areas. I think it would be better if the governments got together on this matter as it would relieve me much trouble.

*GENERAL EDGCUMBE:* There are one or two other matters. One is, how long are clearances valid after being granted? Since the clearances are usually greatly delayed it is sometimes necessary for the people to readjust their itinerary and I would suggest that the clearances be made valid for two months.

*GENERAL SVIRIDOV:* It is agreed that clearances are now valid for two months.

*GENERAL EDGCUMBE:* The next point is that the Hungarian police now some times take up Russian passes.

*GENERAL SVIRIDOV:* I would be grateful for details of any such incident as they have no authority to do so.

*GENERAL EDGCUMBE:* One more matter. Is the green stripe pass good for aid and motor travel?

<sup>338</sup> Appendix C not printed. See footnote 337.

*GENERAL SVIRIDOV:* Yes, for all methods.

The next question relates to Article XIII of the Armistice. I have forwarded copies of all the lists of properties to the Hungarian Government and I understand that they are now registered and that the British properties will not be interfered with. If you have any further cases, will you give me a list now.

*GENERAL EDGCUMBE:* Thank you but I prefer to write you a letter.

*GENERAL WEEMS:* May I suggest we deal with the Eröss János problem of the publication of the notice to claimants. I did not agree with the proposed text as transmitted in your letter and I have prepared a revised text which I understand has been agreed upon by General Edgcumbe's staff. (Hands Chairman letter – see Annex D<sup>339</sup>).

*GENERAL EDGCUMBE:* I fully agree with your proposed text.

*GENERAL WEEMS:* Since the U. S. and British agree on the text, I suggest that it be published.

*GENERAL SVIRIDOV:* I will send it to the Hungarian Government with instructions for them to publish it.

*GENERAL EDGCUMBE:* I agree.

*GENERAL SVIRIDOV:* The next question relates to Article XI of the Armistice. You have a complete list of expenses.

*GENERAL EDGCUMBE:* Yes, but under the item of food we have been charged with certain expenses of the Park Club. I understood it was definitely decided that the Park Club would not be included in the British or American food accounts.

*GENERAL SVIRIDOV:* That is true and the Park Club will be omitted.

*GENERAL EDGCUMBE:* After deducting the Park Club, it is apparent that the cost of food now amounts to 16 Forints a day per head, including the very small allowance for beer and wine.

*GENERAL SVIRIDOV:* Yes, that does seem very reasonable. I hope they are not dying of hunger.

The last question relates to the reorganization of the Hungarian police. There are no government police in provincial towns, that is, no political police. The political police are only in county towns and in Budapest, and recently all of the political police have been combined under one head<sup>340</sup>. That is the only change in the organization of the political police that I know of.

*GENERAL EDGCUMBE:* Thank you.

*GENERAL SVIRIDOV:* I received a letter from Mr. A. Asseffati who has informed the ACC that he now represents the Italian interests. This information is passed on

<sup>339</sup> Appendix D not printed. In his letter of 17 October 1946 General Weems suggested that General Sviridov should order the Hungarian Government to rescind the notice of the Reparations Office published on 23 August. In the proposed draft of the new advertisement the Hungarian Government would have had to state that there was no time-limit on filing of claims for lost property owned by citizens of the United Nations and after the signing of the Peace Treaty a new notice would be published concerning the method of procedure of making claims. 711.9 Allied Control Commission, Record Group 84, Budapest Legation File; NA, Washington D.C.

<sup>340</sup> Péter, Gábor (1906-1993), in his capacity as the head of the State Security Department (1946-1948) of the Ministry of the Interior, and of its successor, the State Security Authorities (1949-1953), he also controlled the Political Police between 1945 and 1953.

to you and it now appears that diplomatic relations have been established between Hungary and Italy<sup>341</sup>.

*GENERAL EDGCUMBE*: I have received information that certain DP's and POW's from the British Zone for entry into Romania have not been properly screened and I have protested the matter to the British authorities in Germany.

*GENERAL SVIRIDOV*: Thank you.

*GENERAL EDGCUMBE*: There is one other point. Aircraft clearances have been changed recently in Vienna by the British and Soviet authorities and I am doing all I can to keep to the schedule, but it appears that Vienna controls this matter.

*GENERAL SVIRIDOV*: I understand.

*GENERAL EDGCUMBE*: I saw in the papers that the MASZOVLET, (the Soviet-Hungarian Commercial Airline Company) had made their first flight on 15 October. What do you know of this?

*GENERAL SVIRIDOV*: I do not know as I did not read the papers. I will inquire.

*GENERAL WEEMS*: I have one point to bring up. On Tuesday, 8 October, we were informed that notice had been received from the occupation forces that no American or British planes would be permitted to fly over Russian occupied areas of Romania, Hungary and Austria. I sent a message to this effect to Vienna and Frankfurt and thereupon cancelled a flight scheduled from Budapest to Prague. The next day the ban was lifted. It seems some confusion arose because of various messages from other areas reaffirming the ban. I would like to have information on this subject.

*GENERAL SVIRIDOV*: I personally talked to the ground force commander and he told me that anti-aircraft training with live ammunition was taking place and they could not take a chance of having American and British planes fly during that time. As soon as the anti-aircraft training was finished the ban was lifted. In this connection, I wish to state the anti-aircraft program was taking place throughout the zones of travel.

*GENERAL WEEMS*: Thank you. There is one other question. I would like you to assist me in locating an officer of my headquarters who went to Tokaj last weekend and who has not been heard of since. He may be in some difficulty and I would appreciate any assistance that the Soviet authorities might give.

*GENERAL SVIRIDOV*: I received this information through your Liaison Section and all Commandaturas have been notified. It will take several days for this information to get around and you will receive an answer on 19 October.

If there is nothing further, I suggest we adjourn.  
The meeting adjourned.

711.9 Allied Control Commission, Record Group 84, Budapest Legation File; NA, Washington D.C.

<sup>341</sup> Diplomatic relations between Hungary and Italy have been established on 1 October, 1946.

## 38.

*Conference of 12 November 1946*

Minutes of a formal meeting of the ACC where matters concerning displaced persons, Article 13 of the Armistice, clearances, Danube traffic, etc., were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

### NOTES

A meeting of the Allied Control Commission for Hungary was held at 14.30 hours on 12 November 1946 in the conference room of the Soviet Headquarters in Bajza utca, near Andrásy út, Budapest, Hungary.

The meeting was called to order by the Acting Chairman, Lieutenant General V. P. Sviridov, who presided in the absence of Marshal Voroshilov.

Present were: *The United States Representation*: Brigadier General George H. Weems, Colonel John H. Stokes, Jr., Lieutenant Colonel William M. Slayden, Major Edward J. Czerniuk.

*The British Representation*: Major General O. P. Edgcumbe, CBE, MC, Lieutenant Colonel P. c. Capron.

*The Soviet Representation*: Lieutenant General V. P. Sviridov, Major General I. I. Levushkin, Rear Admiral M. A. Trainin, Lieutenant Colonel M. I. Cherkasov.

The discussion was substantially as follows, subject to any discrepancies in the translation from Russian.

Note: No agenda was prepared by the Acting Chairman, but the following proposed agendas were submitted by the British Representation and the United States Representation:

#### *British Representation*

##### *1. Displaced Persons.*

It is desired to discuss the question raised by the Chief of UNRRA Mission in his letter of the 19th October to Gen. Levushkin, in which he suggests that there is a considerable problem of displaced persons in Hungary and refers especially to the question of migrant Jews moving westward.

##### *2. Soviet-Hungarian Aircraft Company.*

Referring to the ACC discussion on the 17th October<sup>342</sup> it is desired to know whether any further information can be given about the activities of this Company and whether it is proposed that the Company should arrange flights to place outside Hungary.

<sup>342</sup> See document 37.

### 3. UNO Sub-commission on devastated areas.

At the ACC meeting on the 30th September<sup>343</sup>, the Chairman said he had requested the Hungarian Government to prepare a report and it is desired to know when this report will be forthcoming.

### 4. Article 13 of the Armistice Terms.

At the ACC meeting on the 17th October it was agreed that the Hungarian Government should be instructed to publish a communiqué regarding United Nation claims as drafted by General Weems. It is desired to know whether there are any developments in this matter.

### 5. Slaughter-House Statistics.

It is observed that the Hungarian municipal gazette, *Fővárosi Közlöny* publishes statistics about animals slaughtered for consumption and in the weekly issue No. 43 of the 8th October 1946, page 7, it shows the following statistics for August:

	Big	Small	Calves	Pigs	Horses
	Cattle	Cattle			
Russian Military	2252	1332	12	300	--
Heat & fat reparations	15	--	--	--	--
Allied Control Commission	76	--	60	--	--
Public supply	19	--	--	90	21
	2362	1332	72	390	21

It is desired to know whether these figures are checked and published with the approval of the ACC.

### 6. Clearances.

a) When a clearance has been granted and has not been used within two months and therefore expires, what is the procedure for renewing the same clearance, should fresh application be made or application be made in the form of a letter.

b) Is there any ruling as regards the length of time during which an individual who has been granted clearance may remain in Hungary.

### 7. Repatriation of Hungarians.

In addition to displaced Hungarians being repatriated from the British zones in Austria and Germany, there are a number of small parties of displaced persons whom it is desired to repatriate at an early date from various places under British control. It is desired to agree on a simple procedure with regard to this and suggestions have been made to the Deputy Chairman in letter BMH/901/3/Sect of the 6th November 1946.

### 8. British War Cemetery.

Work is now proceeding in making a cemetery for the British who fell in Hungary. Owing to restrictions on travel in certain areas recently it has not been possible for British representatives to visit the area in Western Hungary in the vicinity of Szombathely where there are known to be a number of temporary graves. It is desired to know how soon visits can be made to this area.

### 9. Danube Traffic.

In reply to a letter asking permission for a British tanker to proceed through the Hungarian part of the Danube on a journey from Braila to Linz, Admiral Trainin in his letter number 223 RF dated 5 November 1946 has informed me that no special

<sup>343</sup> See document 36.

permission is necessary for vessels going either up or down that part of the river which is in the Russian Zone. He refers to the publication by the Danube War Transport Office of a notification regarding this as published in June in newspapers<sup>344</sup> of all Danube States. This notifications had not previously been drawn to my attention and I wish to clarify the position. According to the letter referred to, it appears that vessels of any nation may proceed up and down the Danube within the Russian Zone with only the formality of Captains of vessels obtaining orders 24 hours before sailing from the Chief of the Soviet Navy at the port of embarkation as to the course to be taken along the river.

### United States Representation

#### 1. Disposal of German Assets in Hungary.

In order to gain an insight into German penetration of Hungarian economy prior to end during the war, it would be interesting to have an estimate of the number of wholly German-owned enterprises that have been turned over to the USSR and how many partially German-owned enterprises have been transferred to USSR ownership under the Potsdam Agreement.

#### 2. Disbandment of Private Associations.

According to the Official Hungarian Gazette of 27 October 1946, fourteen private associations, including three religious bodies, were ordered disbanded. No reason was stated. Information is desired from the Hungarian Government as to why these organizations were disbanded.

#### 3. Publicity on Schwabian Expulsion.

An article in the *Szabad Nép* on 29 October 1946 mentioned that "Schwabian shipments were delayed for some months on account of difficulties which were caused by the Americans." It is desired to discuss this article with a view to ordering a retraction of same.

#### 4. Illegal Movement of Refugees.

The 28 October 1946 issue of *Független Magyarország* quotes the London Daily Mail concerning the illegal movement of refugees through Hungary across the border into Austria. Desire to discuss this subject in connection with border guards.

#### 5. Return of Property Under Article XIII of the Armistice Agreement.

My letter of 15 October 1946 to the Acting Chairman mentioned the continued use of the MAORT Oil Company by the Occupational Forces. I desire to discuss this matter in the light of the provisions of Article XIII of the Armistice Agreement.

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**GENERAL SVIRIDOV:** May we open the conference? We have fifteen items, all probably not less than three hours' work. I request you be patient.

The first question is raised by General Weems in connection with German capital invested in Hungarian enterprises before and during the war.

At the moment this is not a vital question. This influx of capital has ceased long ago. It is only interesting for history and the record now. I will endeavor to get the information, however, it will be difficult. The ACC has no information. The Special Soviet Commission has no information. There is no summary from which such infor-

<sup>344</sup> See, *Szabad Nép*, 2 July 1946.



mation can be obtained. The ACC only has information insofar as German installations which have been taken over in part. The Chief of the Special Mission has made application to us to get them the information. Nobody, not even the banks, have full details of what German capital was here. My view is that certain data may be in Berlin or Dresden which ought to supply the information. We would like to get such information also and would be very grateful for any assistance in obtaining it.

*GENERAL WEEMS:* The question arose regarding German wholly-owned enterprises in Romania. The Soviets stated they had taken over 500 wholly-owned German enterprises in Romania and 504 partially owned enterprises and were now developing and finding new German enterprises either wholly or partially-owned. It would be of interest to the ACC to have some information regarding enterprises wholly or partially-owned by Germany in Hungary.

*GENERAL SVIRIDOV:* The difficulty is that the Hungarian banks stated that all archives have been removed to the British the American Zone of Germany. They cannot get them. I would be most grateful if you could get this information.

*GENERAL EDGCUMBE:* May I suggest that if we could have a list of what has been taken to date we could pass the information along to our Governments and be able to throw some light on other firms. Our Governments could then search for information on other enterprises.

*GENERAL SVIRIDOV:* There are firms taken over, some completely but some disputed. Any list would be incomplete and not accurate. The only place where the information can be complete is from Germany itself. When the work is complete and disputes decided, there would be some sense then in providing a list. Any list compiled now would be too inaccurate.

*GENERAL EDGCUMBE:* May I raise one other point? I have heard there are certain firms partially German-owned which have been taken over. The balance of the firm may be owned by other nationals. Could I be informed when any such firm partially British-owned is taken over by the USSR so that we may know what is happening with regard to firms with British interests. That is, one firm 27 per cent British-owned, we hear, is being taken over as German by the Soviets. We should like to know whether this is so.

I should like to suggest that under Article XIII when a firm changes part ownership we should know about it. It shouldn't be a matter of great difficulty to advise us and it would be greatly appreciated. For example, then a firm with British interests is taken over we should be notified of such interests as it then becomes an Allied matter.

*GENERAL SVIRIDOV:* May I call your attention to the fact that the ACC is not concerned with what firms, either partially or wholly German, are taken over. Occasionally we assist by lending specialists, but we do not engage in this activity. With regard to your request to be informed, it will be passed on to Mr. Nicholaiev<sup>345</sup> so that you may receive any information through the Chairman of the ACC. As far as I remember, there have only been three cases and you have been informed. Your request will be passed on.

<sup>345</sup> The author has no data available regarding Mr. Nicholaiev.

The next question is about the disbandment of private associations. I have a list of organizations which have been very carefully studied and the reasons why such organizations have been disbanded. For example, the *Catholic Women's Association*: The members decided to disband and wrote a letter to the Minister of the Interior that they were breaking up. They sent a "Special Act" legalized by a notary. The reason was that the number of active members was too small. *Budapest (Catholic) Societies*: The same thing happened here. They say they have no resources and requested permission to disband. *St. Mary's Spinster's Society*<sup>346</sup>: The same thing here. They ceased functioning on the liberation of Hungary. Nobody disbanded them; they did it themselves.

*One or two government organizations, societies or unions*: They requested the Minister of the Interior to be dissolved as they were being taken over by the Trade Union. *A club of aristocratic officers (Hussar Society)*<sup>347</sup>: The members disappeared or ran away to Germany and have not resumed activity. *Sports Club of Press Representatives*: The Club informed the Minister of the Interior that they had ceased activity and did not intend to resume. *General Union of Wholesalers*: Transferred to a new organization called "Culps". *Literary Order of Nabob*<sup>348</sup>: It ceased to function by decision of its members. Requested the Minister of the Interior to make notification of such action. *Peasants Union*<sup>349</sup>: Disbanded on orders of the Minister of the Interior because of fascist tendencies.

All of these organizations have been dissolved upon the request of the members. About five months ago the Ministry of the Interior notified all clubs, societies, organizations, etc., that they should re-register. Those not re-registering would be considered dissolved. Those that did re-register could continue to function.

*GENERAL WEEMS:* Thank you. The reason for my interest in the matter was that no reason for the dissolution of these organizations was given in the newspaper article which was published.

*GENERAL SVIRIDOV:* The next question is in regard to the newspaper article. "It now seems that the difficulties in the way of Schwabian shipments were caused by the Americans." I sent for the editor of the paper in which this article appeared and demanded to know why the article was printed and where his information came from. The editor's reply was that the difficulty was Reichsmarks - that the government possessed no Reichsmarks, which were demanded by the Americans, and, therefore, great difficulty has been placed on the Hungarian Government in securing the Reichsmarks. That was his reply. What is your attitude?

*GENERAL WEEMS:* The newspaper was wrong in stating that the Americans have placed difficulties in the way of the Schwabian movement. The U. S. authorities in Germany require that Sudetens [Sudeten Germans] from Czechoslovakia be supplied with 1,000 Reichsmarks. The Government of Hungary agreed to give Reichsmarks to the Schwabs before their departure and during the last few days trains have gone to the U. S. Zone in Germany. The U. S. has put no obstacles in the way of this movement whatsoever.

<sup>346</sup> Correctly: St. Margit is Spinster's Society.

<sup>347</sup> Correctly: Hussar Society (Jászok Huszárok Polo Clubja).

<sup>348</sup> Correctly: Literary Society of Nagydobsza (Nagydobszai Polgári Olvasókör).

<sup>349</sup> The Minister of the Interior dissolved 16 civil associations on 27 October, 1946 but the Peasant Union was not among them.

*GENERAL SVIRIDOV:* That is correct, of course, but there have been certain difficulties.

*GENERAL WEEMS:* I cannot see why the Hungarian people should be misinformed concerning the situation.

*GENERAL SVIRIDOV:* I warned the editor that if any such articles are published in the future that we will suppress his paper.

The next question is one by both General Weems and General Edgcumbe but it is not clear. The illegal immigration of refugees, mostly Jews. It also concerns General Edgcumbe, concerning Displaced Persons in Hungary raised by UNRRA. This question requires some clarification as there are no Displaced Persons belonging to the United Nations in Hungary. There are Jews from Poland, Romania, Bulgaria, Yugoslavia and the Balkans. The Hungarian Government places no difficulty in the *voluntary* departure of such persons. Neither does the Occupation Forces. Nobody places obstacles in their way, therefore, what is the difficulty? I do not understand.

*GENERAL WEEMS:* My point is that if this is illegal as alleged by the newspapers, the fault would be in the border guards. Some investigation should be made of the guards to determine whether they are putting people across the border illegally.

*GENERAL SVIRIDOV:* The border guard has been warned many times about this. They appear to be doing their best. They have check points at all importance places, but there are bound to be sneak holes. The guards have been increased and warned. Austria gives what help it can by turning illegal immigrants back across their border. What further steps should be taken?

*GENERAL WEEMS:* I suggest a Committee or Commission from the ACC should inspect critical points where illegal passage is alleged to be taking place and a report [should be made] to the ACC concerning their findings.

*GENERAL SVIRIDOV:* Such a check has been done twice. What are General Edgcumbe's remarks?

*GENERAL EDGCUMBE:* The Chief of UNRRA intimated to General Levushkin that there was quite a large problem of Displaced Persons here. I asked UNRRA what it all meant. UNRRA reported that there were some 4,000 United Nations DP's in Hungary. General Sviridov says there are none. Has General Sviridov discussed this with UNRRA? I have been told that UNRRA is asking for a grant to take care of these DP's. I was under the impression that there were none also. UNRRA state they had been told that since 1 January about 11,000 Jews had passed through Budapest trying to get to Austria. It seems that the Hungarian Government must be incorrect in giving this information to UNRRA and not to the ACC. I would be very grateful if General Sviridov could tell me if UNRRA has told him anything about it.

*GENERAL SVIRIDOV:* The figures referred to in the papers have in view Jews. We know that no British subjects are in Hungary as DP's, that there are no United States DP's also that there are no Russians, nor none from other nations, only Jews. How many, I do not know and Hungary does not know.

Where are the Jews to be sent? To North America, or to Palestine? Where will they be allowed to go? If you will let them go to Palestine or to America we will let them go. Since they are not allowed to move, they start to forge documents and certain agents here receive large amounts of money for forging such documents and getting these Jews passage.

*GENERAL WEEMS:* Why not leave them here and strengthen the border guard?

*GENERAL EDGCUMBE:* Has any reply been made to UNRRA? Mr. Sommers of UNRRA has asked to discuss it.

*GENERAL SVIRIDOV:* I propose that the matter be left to the Hungarian Government and if they find a solution they present it to the ACC, and that we again warn the border guards not to permit passage across the Hungarian frontier.

May we leave this question as above suggested?

*GENERAL EDGCUMBE:* Will General Sviridov advise UNRRA accordingly? (Reads portion of the letter from UNRRA to General Levushkin which indicates that answer is to be made).

*GENERAL SVIRIDOV:* General Levushkin will discuss the matter with Mr. Sommers and find out just what he is after.

*GENERAL EDGCUMBE:* Very good.

*GENERAL SVIRIDOV:* The next question by General Edgcumbe concerns the Soviet Hungarian Aircraft Company. I know this company started flights the 15th of October. Their idea was to make flights Debrecen - Budapest - Sopron. I know nothing at all about other routes. I have no information regarding flights beyond the borders of Hungary.

*GENERAL WEEMS:* There is an item in today's paper concerning motorless flying. (Reads article: "The Ministry of Communications requested to publish the following announcement: It was reported that the Allied Control Commission gave its permission to resume motorless flying. The Ministry of Communications announces that the Allied Control Commission gave no permission to resume flying.")

*GENERAL SVIRIDOV:* That was because the Hungarian Government wanted to give permission themselves and the ACC would not allow this. Is that reply sufficient, General Edgcumbe?

*GENERAL EDGCUMBE:* Yes, thank you.

*GENERAL SVIRIDOV:* The next question by General Edgcumbe concerns the matter of the Sub-commission of UNO. Your letter and all information submitted was passed on to the Hungarian Government long ago but no reply is yet ready. In a conference with the Prime Minister, he promised to look into the matter and pass along the information. The Prime Minister said that the work was very intricate and difficult - very difficult questions since it required information concerning 1946, 1947 and 1948. This is very hard to forecast. As soon as I have received the information I will send it to you.

*GENERAL EDGCUMBE:* Thank you.

*GENERAL SVIRIDOV:* The next question by General Edgcumbe concerns the retraction of a newspaper article. I have the article here. It is satisfactory. Is it satisfactory with you General Weems and General Edgcumbe?

*GENERALS WEEMS AND EDGCUMBE:* Yes.

*GENERAL SVIRIDOV:* The next question by General Edgcumbe concerns an announcement in the Hungarian Municipal Gazette concerning cattle slaughtered. The Burgomeister<sup>350</sup> can not explain how this figure got published. He admits it was foolish. He sent a nice letter of apology to me for the foolish thing. He admitted it

<sup>350</sup> József Kívígyó was the Lord Mayor of Budapest between 1945 and 1947.

looks as though they allow slaughtering for the Red Army only. There are other slaughter houses used only for the public and not for the Red Army. I propose that his apology close the subject.

*GENERAL WEEMS AND EDGCUMBE:* Yes.

*GENERAL SVIRIDOV:* The next question by General Edgcumbe concerns the validity of clearances and the procedure to be adopted after expiration.

If the clearance is not used and expires, then a new application must be made and in turn made to the Occupation Forces. After the expiration date passes, a new request must be made. In the next paragraph there is a question how long may one stay on one clearance.

My solution is, not more than two months, but in special cases it may be extended upon good reason why one must stay. For example: if a member of Congress or Member of Parliament wants to stay longer, it is okay, but depends on the reason.

*GENERAL WEEMS:* This is not clear to me. What type of person are you speaking of?

*GENERAL SVIRIDOV:* This does not concern regular members of the Mission or other people who come on temporary duty, nor press correspondents. It concerns business men, men who come here to look into their firms, but in special cases their stay may be extended.

*GENERAL WEEMS:* It does not apply to business men already here?

*GENERAL SVIRIDOV:* It does not apply to business men here or the owners or directors of firms.

The next question raised by General Weems regarding the MAORT Oil Company. There has been a lot of talk regarding this question. Have you in view Article XIII?

*GENERAL WEEMS:* Yes.

*GENERAL SVIRIDOV:* You wish to convince the Deputy Chief of the ACC that the firm is in the hands of the Occupation Forces?

*GENERAL WEEMS:* Mr. Ruedemann<sup>351</sup> informs me that it is under the control of a major of the Red Army.

*GENERAL SVIRIDOV:* Would you please clarify your meaning and your requirements.

*GENERAL WEEMS:* It was agreed by Marshal Voroshilov that the MAORT Oil Company is 100 per cent U. S. owned. Article XIII provides that property belonging to national of the United States is to be returned to the owners. This property, 100 per cent U. S. owned, has been under control of the Soviets since they liberated Hungary. My Government cannot understand why this property is not returned to its owners. Marshal Voroshilov made the point that the wells were net producing at a rate sufficient to supply the needs of the Occupation Forces and the Hungarian Government. This point no longer holds because under present output the MAORT Oil Company supplies the needs of the Occupation Forces and the Hungarian Government.

<sup>351</sup> Paul Ruedemann, technical manager of the MAORT Oil Company. Notwithstanding the fact that he was American citizen he was arrested in September 1948 by the Hungarian Political Police in connection with the alleged sabotage activity of the management of MAORT Oil Company. Ruedemann and an other American manager of the Company, George Bannentine were released later, but the Hungarian manager Simon Papp was sentenced to life imprisonment. Eventually, Papp was released in 1955 and rehabilitated in 1989.

There appears to be no reason for the continued control of this property by the Red Army.

*GENERAL SVIRIDOV:* I would like to give an explanation of our position. Before the arrival of Mr. Ruedemann, the fields were handed back to the firm. Mr. Ruedemann is directing activities in accordance with American principles. The whole output of the company is sold to the Hungarian Government at a very high price. The profits all go to Mr. Ruedemann. Production is completely in Mr. Ruedemann's hands. The Russian control of one person there does not interfere with operations. There is no interference in production or distribution. The Russian officer merely looks after the interests of the Hungarian Government and economy. Why does he do this? Because Mr. Ruedemann told him several times he intends to reduce production by 30 per cent. At the present he has decreased 100 tons per day, and proposes in the future to decrease by 500 tons per day. The company produces 1,800 tons per day at present. Mr. Ruedemann wishes to decrease to 1,300 tons per day for some reason. If Mr. Ruedemann is permitted to do this then the whole Hungarian economy receives a severe blow. Hungary has Trade Treaties with Sweden, Switzerland, Poland, Czechoslovakia, Russia, and today is discussing a Treaty with Italy and the most important point is the export of oil. Hungary reckons on 720,000 tons per year and expects to receive such amount from the MAORT Oil Company. On this basis of 720,000 tons, they have completed Trade Agreements. Mr. Ruedemann wants to produce only 500,000 tons. If Mr. Ruedemann is permitted to decrease production then all of the Hungarian Trade Agreements must be broken without a doubt.

On the 4th of November the Prime Minister requested me to leave the MAORT Oil Company under Russian control or the Hungarian economy would be ruined. This Russian control performs only the one function of maintaining production. In spite of this control, Mr. Ruedemann has succeeded in closing 18 wells.

During the German occupation 2,300 tons per day were produced. Now only 1,777 tons are being produced today. Mr. Ruedemann does not want to increase production but wishes to further reduce production. If Mr. Ruedemann should increase production to 2,000 tons per day, the Russian control would be taken away immediately. As there is a tendency to decrease production, we are keeping our control there on the request of the Hungarian Government.

That is the true account of the MAORT Oil Company today.

Let Mr. Ruedemann show that he is raising production to 2,000 tons per day and the control will be withdrawn. We are only protecting Hungarian economy.

There has been a lot of talk. Mr. Ruedemann said that it is technically necessary to lower the output and to check on Mr. Ruedemann's statement we appointed a committee of Hungarian and Russian specialists to determine this. The conclusion of the committee was that it was not necessary to decrease the output.

For me it is vague why Mr. Ruedemann wants to decrease production. Russia is not interested personally. We receive only 10,000 tons. The Hungarians will not get that which they reckon on and their Trade Agreements will be broken if production decreases. I wish to stress that Russian control is there temporarily and on request of the Hungarian Government. In accordance with an agreement between Mr. Ruedemann and the Hungarian Government, he is supposed to sink new wells but he does

not do it. His excuse is that the gas losses are too high, but today it is actually lower than normal.

This is the position today as I have studied it very much. There has been much discussion by General Key, General Weems and in Moscow. It all centers around Mr. Ruedemann, who just does not want to increase production.

Therefore, we do not consider the MAORT Oil Company in our hands [th]at one man is there to prevent a decrease in production and actual operation is in the hands of Mr. Ruedemann. This is not one of our own caprices but a matter of Hungarian economy. Colonel Hagy, in company with Mr. Ruedemann, made the statement, "Let the oil stay in the ground until better days come along. It is not advantageous to us to produce oil, but let it lie in the ground." He was very frank.

*GENERAL WEEMS:* I wish to thank the Chairman for a very clear explanation of the operation of the oil fields. I do not see how this explanation, however, allows Russia to violate Article XIII. The American company can protect the Hungarian Government just as well.

It appears to my Government, as expressed many times, that all this does not justify not turning back the property to its owner.

*GENERAL SVIRIDOV:* May I call to General Weems' attention the fact that all letters mentioned one phase: that the MAORT Oil Company will produce oil in sufficient quantity for home use and reparations. No mention is made of figures, and the oil company has no right to reduce production.

*GENERAL WEEMS:* No figures are mentioned in the Armistice Agreement. My Government takes the stand that under Article XIII this business should be returned to its owners and the question of production worked out between the Hungarian Government and the owners. The Hungarian Government could pass laws or take whatever action they want to get the necessary production of oil.

*GENERAL SVIRIDOV:* I assume that that is what will happen when Russian control has been withdrawn. Soviet control is temporary and is not harming the firm at all. As a matter of fact, it is increasing their profits and therefore might be considered protecting the property.

*GENERAL WEEMS:* Still the firm is American-owned and ought to be turned back, but it cannot be returned as long as Russian control is there.

*GENERAL SVIRIDOV:* The actual transfer has already taken place and when the Russian leaves there is nothing further to do.

*GENERAL WEEMS:* That is not in accordance with the terms of the Armistice Agreement, for one man to have control of production.

*GENERAL SVIRIDOV:* As a matter of fact, the question has gone beyond the competence of the ACC. The matter should be referred to the governments concerned. It has gone beyond the competence of this Commission. I will pass your views along to my higher authorities.

I assure you that no damage has been done, but on the other hand the property has been protected and large profits made.

I request permission to continue.

*GENERAL WEEMS:* Yes, thank you.

*GENERAL SVIRIDOV:* All items on the agenda have been disposed of. I have here an addendum by General Edgcumbe.

General Edgcumbe, do you wish that these items be discussed now?

*GENERAL EDGCUMBE:* I do not wish to insist but believe it would save time if we could, that is, if General Sviridov has had time to look at them. They are not difficult.

*GENERAL SVIRIDOV:* One question is very important, that of traffic on the Danube.

*ADMIRAL TRAININ:* In reply, it is necessary to notify the Chief of the Soviet Navy at the nearest port. Your attention is directed to an announcement in June (June 25th, Magyar Nemzet) by the Chief of the Soviet Navy. The answer is yes. Permission must be secured. Certain governments, Yugoslavia and Czechoslovakia, have established frontier controls so that in addition to Russian permission, one is liable to frontier regulations as usual. In crossing frontiers, the same procedure is enforced for entry or exit from Soviet Zones.

*GENERAL SVIRIDOV:* Shipping on the Danube is free, but crossing frontiers permission must be obtained from the government concerned. All vessels of all flags are subject to this control. Is that clear?

*GENERAL EDGCUMBE:* I must have misunderstood. One must get permission to get into the zone in the first place?

*ADMIRAL TRAININ:* Yes.

*GENERAL WEEMS:* I have a translation of the article.

*GENERAL EDGCUMBE:* Who gives permission?

*ADMIRAL TRAININ:* The ACC has no power over the Danube. The upper part of the river is controlled from Vienna, the lower part from Bucharest - the Danube [D]irector[at]c[ ] for Military Transport.

*GENERAL EDGCUMBE:* In Hungary, we merely notify them. Is that right?

*GENERAL SVIRIDOV:* Hungarian control is concerned more with the cargo.

*GENERAL EDGCUMBE:* For example: If Bucharest gave permission for a British vessel to come to Budapest, would Admiral Trainin be notified?

*ADMIRAL TRAININ:* I would be advised by Bucharest for information only.

*GENERAL SVIRIDOV:* The next question by General Edgcumbe concerns entry into Western Hungary. I have put this matter before the Army Command but have received no reply yet. It will be passed to you as soon as received.

*GENERAL WEEMS:* My Graves Registration Unit reports 40 aviators in Western Hungary, and we would like to get them before the first of December when the ground becomes frozen, or as soon as possible.

*GENERAL SVIRIDOV:* I will attempt to get the decision as soon as possible.

The next question by General Edgcumbe concerns the repatriation of Hungarians from various places under British control. I would like to study this more, and suggest that the matter be discussed between General Levushkin and your Chief of Staff.

*GENERAL EDGCUMBE:* Yes, yes. I hope we can get some early solution to this matter as we want to get these people back.

*GENERAL SVIRIDOV:* We will try to get it solved quickly. Who are these people - business men or former members of some army, or what?

*GENERAL EDGCUMBE:* DP's principally, who for various reasons found themselves in British territories after the war.

*GENERAL SVIRIDOV:* I wish to raise two questions. The letter from Colonel Stokes included certain articles, ash trays, curtains, household furnishing, etc. The letter has been forwarded to the Hungarian Government, to the Chief of Reparations Office. I do not know their decision. I will not tie them up with my decision. If they are to be called upon to provide these detailed articles for all officers of United Nations in Hungary, they will be stripped naked.

*GENERAL WEEMS:* My Government expects the Hungarian Government to furnish these articles, which are necessary for the quarters of my officers.

*GENERAL SVIRIDOV:* I do not know what the Hungarian decision will be, but what is the difference between the American officers and the Russian and British officers?

*GENERAL WEEMS:* I am not asking for preferential treatment. I am asking for only very simple housekeeping facilities for them. My officers come into this country by airplane and cannot bring all household articles with them.

*GENERAL SVIRIDOV:* Nobody has received such articles. All I have, I have purchased with my own money.

*GENERAL WEEMS:* Such is not the case in my quarters and most other officers' quarters that I know of.

*GENERAL EDGCUMBE:* It is the policy of the British Government to expect the Hungarian Government to furnish quarters fully furnished. While we are discussing this, it seems that the costs are very moderate.

*GENERAL SVIRIDOV:* It is a question for Hungary to decide, but it also gives me the right to ask for the same things.

*GENERAL WEEMS:* As I understand it, the Soviets receive money - we receive in kind.

*GENERAL SVIRIDOV:* We have purchased from our own resources, but if we can get them from Hungary we will also do so.

The other question which I have is not exactly a simple one. I have here ten copies of a bulletin - Radio Bulletin of Information Service, by Mr. Schoenfeld. These bulletins contain specially selected articles from American newspapers. They are printed in Hungarian. The bulletins are sent to the editors of all Hungarian newspapers. The question is not of the bulletin but of the contents. Some of these articles criticize the policy of the Soviet Union. If you wish, I will demonstrate the type of article which criticizes the Soviet Union.

*GENERAL WEEMS:* I would like for you to give a specific example.

*GENERAL SVIRIDOV:* In Bulletin 229 of 25 September 1946 it says that there are negotiations going on regarding the transfer of Hungarian properties from the American Zone of Austria and Germany, that it is very difficult to arrive at any agreement with the Soviet authorities. There is an attempt to impress on the Hungarians that the arch villain is the Soviet Union. That is, as General Edgcumbe and General Weems both know, untrue. Soviet authorities put no obstacles in the way of this transfer. Any transfer would be allowed to pass immediately. The same bulletin makes it appear that the Soviet authorities are sucking out everything for reparations and upkeep of the Red Army. It tries to prove that the Soviet Union takes all and gives nothing.

Bulletin 223 of 18 September states that the Russians are holding the most fertile parts of Austria and do not permit the produce to be used by other parts. General Clark<sup>352</sup> is supposed to have said the Russians spend 90 million dollars per month for the upkeep of their army in Austria. An attempt is made to impress on the Hungarians that the Soviet Union is looting.

In Bulletin 195 of 16 August, General Clark states that the Soviets take all the oil in Austria and do not permit export to the other zones of Austria, and also that the Soviets have clamped down on the railroads and will not permit them to be nationalized. It criticized the Soviet Union in Romania, saying that the Romanian king carries out Soviet policy and therefore they tolerate him. The king of Greece is against the Soviet Union and, therefore, they do not like him. In the elections in Greece the Greeks voted against the left and will not become satellites of Russia.

A lot of libel and untruths are issued in these bulletins in Hungarian. I do not understand why this should be. I would be very grateful if General Weems would tell Mr. Schoenfeld that such a bulletin should not be issued without the approval of the ACC. I do not mind the bulletin as such, but such contents we cannot permit. There is too much libel against the Soviet Union. I would be grateful if you will pass this information on to Mr. Schoenfeld.

*GENERAL WEEMS:* I will be glad to do so and will say that the U. S. Representation, so far as I know, has not been interfered with in Germany or Austria in the restitution of Hungarian property.

I do not have control over General Clark, and if his reports have been released to the press with the approval of my Government, I see no reason why they should not be published here.

*GENERAL SVIRIDOV:* American journals and papers are distributed here, and the Hungarian Government is well informed of what is going on from the American journals and, therefore, such a bulletin is not necessary. The Soviet Union issues no bulletins of such nature. This bulletin has a tendency to go in one direction and to select articles of one description for publication. We know of British and American papers and do not understand why this bulletin is necessary. I would be very grateful if Mr. Schoenfeld would discontinue the bulletin.

*GENERAL WEEMS:* May I suggest that we investigate the contents of these bulletins and decide on a tripartite basis if these bulletins are publishing libel against one Ally.

*GENERAL SVIRIDOV:* I agree.

*GENERAL EDGCUMBE:* I agree.

*GENERAL WEEMS:* Would you tolerate one or two questions before we adjourn?

On 28th of August I asked for clearance for Mr. Bailey, a State Department Geographer. On September 5 the clearance was denied. I wish to ascertain the reasons for the denial. Was it because he is a VIR or some other reason?

*GENERAL SVIRIDOV:* I repeat that this is a question for the Occupation Forces. When refusal is made they do not always state the reason. Maybe they think that his visit at present is not necessary. Perhaps they do not think a Geographer is necessary

<sup>352</sup> General Mark W. Clark, Commanding General, U.S. Forces in Austria

at this time. I will take note of persons refused and put the matter up to the High Command again.

*GENERAL WEEMS:* My Government wishes to know the reasons for this refusal. Can you obtain exact reasons and give me a letter in reply?

*GENERAL SVIRIDOV:* Yes.

*GENERAL WEEMS:* One more question. On October 26th I sent to the Chairman a letter inclosing a copy of my notes of the last meeting of the ACC on the procedure for obtaining economic information from the Hungarian Government. I would like to know whether or not I have accurately stated in that letter the Chairman's views in this matter.

*GENERAL SVIRIDOV:* I repeat my words of the last meeting. The Hungarian Government gives all manner of information through the Chairman of the ACC. This is covered by Articles XVI and XVII of the Armistice Agreement. I think we understand that Mr. Schoenfeld can receive information through the Chairman of the ACC.

*GENERAL WEEMS:* I wanted to be sure that I had quoted the Chairman correctly in my letter so that I can give Mr. Schoenfeld the correct information. This is a matter in which my Legation is interested, I would like to have a reply to my letter of October 26, 1946. May I expect a reply to my letter?

*GENERAL SVIRIDOV:* Yes. The idea is that the reply is the sense of the statement here. General Edgumbe sent a question through the ACC to the Hungarian Government and replies came back through the ACC. There is no desire to deceive anyone as to the state of the Hungarian economy. It is well known. Mr. Schoenfeld will receive first quality information.

May we finish?

The meeting adjourned.

711.9 Allied Control Commission, Record Group 84, Budapest Legation File; NA, Washington D.C.

### 39.

*Conference of 6 December 1946*

Minutes of a formal meeting of the ACC where matters concerning the issue of news bulletins, the deportation of Schwabians, clearances, etc., were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

#### NOTES

A meeting of the Allied Control Commission for Hungary was held at 14.30 hours on 6 December 1946 in the conference room of the Soviet Headquarters in Bajza utca, near Andrassy út, Budapest, Hungary.

The meeting was called to order by the Acting Chairman, Lieutenant General V. P. Sviridov, who presided in the absence of Marshal Voroshilov.

Present were: *The United States Representation:* Brigadier General George H. Weems, Lieutenant Colonel James D. Wilmeth, Lieutenant Colonel William M. Slayden, Captain Leonid Gran<sup>353</sup>.

*The British Representation:* Major General O. P. Edgumbe, CBE, MC, Lieutenant Colonel P. C. Capron.

*The Soviet Representation:* Lieutenant General V. P. Sviridov, Major General I. I. Levushkin, Lieutenant Colonel H. I. Cherkasov.

The discussion was substantially as follows, subject to any discrepancies in the translation from Russian.

Note: No agenda was prepared by the Acting Chairman, but the following proposed agendas were submitted by the British Representation and the United States Representation:

#### *British Representation*

##### 1. *The Issue of "Bulletins".*

To discuss this question as agreed at the last ACC meeting on the 12th of November 1946<sup>354</sup>.

##### 2. *Supply of Furnishings Under Article 11.*

The discussion at the meeting on the 12th November regarding requirements for certain U. S. Officers leads me to think that there is misunderstanding on the subject of what can be correctly demanded from the Hungarian Government. It seems desirable to clarify this matter between us.

##### 3. *German "War Criminals" asked for by the Hungarian Government for Trial.*

H. M. Government have somewhat modified their previous views on this subject and the Chairman has been informed in letter BMH/811/MIL of the 19th November. It is desired to make a statement regarding this.

##### 4. *Deportation of Schwabians.*

It is understood that deportations will cease with effect from the 1st December owing to the fact that the U. S. Zone in Germany will be unable to deal with deportees during the winter months in a humane and orderly manner. It is further understood that after deportation for November are affected, there will remain some 190,000 Schwabians to be moved next year. It is desired to verify this information.

##### 5. *Clearances.*

The British Courier is in future to make his weekly journeys to Budapest by train from Vienna, accompanied by a guard, and it is desired to discuss the best arrangements to ensure that these persons do not get held-up in Vienna awaiting the necessary Soviet permit. Letter BMH/962/1 Sect of 20 November, to the Deputy Chairman refers.

#### *United States Representation*

##### 1. *Articles of Uniform and Insignia of the New Hungarian Army.*

In my letter of 18 September 1946, inclosing a letter to the Hungarian Minister of Defense, information is desired from the Minister of Defense as to what action he proposes to take in this matter.

<sup>353</sup> Captain Leonid Gran, member of the Russian Liaison Section of the U.S. Military Mission on the ACC for Hungary.

<sup>354</sup> See document 38.

2. *Bulletin Issued by the United States Information Service.*

My letter of 29 November sets forth my Government's view in this matter. I desire to discuss this further in the light of other publications in Hungary.

3. *United Incandescent Lamp and Electric Company, Ltd. (Tungsram).*

My letter of 29 November 1946 on this subject sets forth American interests in this firm. I should like to verify the distribution of shares in this company as listed in the enclosure with my letter.

*GENERAL SVIRIDOV:* Allow me to begin. There are only a few questions on the agendas this time, only six, about 30 per cent of the last time. However, do not be too happy; there are six additional questions and at least two hours are assured.

*GENERAL WEEMS:* Can you assure us that it will not be more?

*GENERAL SVIRIDOV:* I do not think that is the case.

The first question by General Edgcumbe concerns the issue of bulletins issued by the American Diplomatic Mission. We had a conversation about these bulletins in our last conference. The same question is of interest to General Weems. He also places it on his agenda. I should be very grateful if General Weems and General Edgcumbe would bring forth their opinions concerning this issue. I have received a letter from General Weems and am acquainted with the United States point of view. General Weems states that he would like to discuss this question in the light of other publications in Hungary.

*GENERAL WEEMS:* I have placed before the Chairman and General Edgcumbe a copy of my letter which sets forth my Government's view. I wish to further state that it is the established policy of the United States Government to encourage and adhere to the principle of the freedom of press and information. In adhering to this policy my Government has refrained from calling to the attention of the Allied Control Commission to the Hungarian language daily newspaper "ÚJ SZÓ". This organ, published by the Red Army and bearing on each issue the legend "Newspaper of the Red Army for the Hungarian People," has repeatedly published articles of a mendacious and misleading character regarding United States policy and motives. The continuous nature of these articles is such that it is sufficient merely to choose a random period in order to find adequate examples of the type of article referred to. As an example, in the issue for October 26th, page 1, states "It is not mere chance that Senator Vandenberg, one of the trumpets of American imperialism, openly proclaims the discard of Roosevelt's policy despite the fact that the very idea of the United Nations is closely linked up with Roosevelt's name." Again on October 26th, page 8, in regard to Otto von Habsburg, the paper stated "A worthy pillar of their restoration aspirations is Archduchess Etelka, one of the collaborators and secretaries of President Truman." Again on November 22nd in a front page leading editorial concerning dollar diplomacy and strategy of want this paper says "It would have been only too easy a task for the U. S. Government to come to the aid very efficiently of the distressed peoples in Europe and Asia, however, not even the slightest sings of such a trend were to be discerned." In this connection, it might be noted that three and one-half billion dollars has been or is being spent by UNRRA and it is my information that 72 per cent of this amount is furnished by the U. S. Government.

The anti-American character of the foregoing articles is so obvious as not to require discussion. Nevertheless, the U. S. Representatives in Hungary have refrained

from any criticism of such libelous and mendacious articles as the foregoing. Such articles, in the view of my Government, are not calculated to enhance unity and confidence in the accomplishment of our common task in Hungary. In view of the foregoing, the United States Political and Military Representatives in Hungary are astonished at the statements of the Deputy Chairman of the ACC concerning the U. S. Information Service in Budapest. The Acting Secretary of State has pointed out, for example, that the statements in bulletins 195, 223 and 229 of August 16, September 18 and September 25, 1946, respectively, referred to by the Acting Chairman, were official statements based on factual information. Further, the reference by the Acting Secretary of State to the restitution program published in bulletin 229 of September 25 was an accurate statement of facts at that time. These statements and my letter of November 29 expresses the view of my Government regarding this question.

*GENERAL EDGCUMBE:* As General Sviridov knows, I said very little at the last meeting because I wished to refresh my mind on this matter. I have ascertained the position of the British Government and in order that it might be expressed clearly I have put it in writing and now take the opportunity to give a copy to each one of you, which is as follows:

"1. The British Government considers that it is not within the competence of the Allied Control Commission to control or deal with publications by any of the Allies. The Armistice terms set out the obligations of Hungary to the Allies and cannot be interpreted to operate against any of the Allies. Article 16 is clearly designed to prevent undesirable publications by the ex-enemy.

2. Consequently, any attempt by any Representation of the ACC to restrict publications issued by any one of the Allies would be considered as interference with the rights of one Ally by another."

As General Weems has mentioned the paper "ÚJ SZÓ", I would like to say from my Government's view I have noted on several occasions articles which are very anti-British, but in view of my Government's policy that the ACC could not interfere I have refrained from bringing up the question. As General Sviridov will remember, I have raised the question concerning articles published in Hungarian papers by Hungarians, but that is not the question.

*GENERAL SVIRIDOV:* This is the first time the Red Army paper "ÚJ SZÓ" has come to my attention. Without doubt I shall inform myself [sic!] of any information this paper may have reported. I will take it apart. I shall clear up the matter not only of these specific articles mentioned but will look into the matter of the direction of policy which is pursued by this paper. I am certain that neither the Commander of the Occupation Forces<sup>355</sup> nor myself will in any way support any mendacious or libelous matter that may appear in that paper. My point of view has been that all libelous and mendacious matter will always bring about evil. Such matters spoils good relations between the Allies and puts in a very bad light the paper itself. We adhere to the same point of view of publication of papers by any ally in the country. The press which occupies itself in publishing libelous matter causes much evil and is harmful. I raised the question of the bulletin not because we have anything against the bulletin itself

<sup>355</sup> General Vladimir Vladimirovich Kurasov (1897-1973), commander-in-chief of the Soviet Occupying Forces in Austria, Hungary and Romania; his headquarters were at Baden, Austria.

but only against its contents which did not correspond with facts. It seems to me that if any information is published which is harmful to the Allies such information must be corrected one way or the other. In general, we have nothing against printed American word in Hungary. There is quite a lot of it in various bulletins, propaganda articles, etc. Against them we have nothing. We do not make moves against the American press and publications as such but do make moves against material which may appear which is detrimental to Russia or which may belittle or put in a wrong light before the Hungarian people some wrong conception as far as Russian policy is concerned. Then if General Edgcumbe and General Weems agree with me on this, the general point of view is that after all the attacks against allies are not a constant and continuous occurrence. All we have to do is to call the offending press to order. It seems that in this question we have all expressed our opinions.

*GENERAL EDGCUMBE:* I believe General Sviridov used the expression "to call the offending press to order." In view of this I say we are not in position to "call them to order." In the view of my Government, it is not felt that we are in a position to call the press to order. We can only forward the complaint. In the case of my circular, I informed the Political Representative<sup>356</sup> but could do no more. We cannot call to order but can only inform. It is a very great pity that so much is published on both sides which is not too accurate, but the world has a free press and there it is. My personal view is that it is a shame so much false material is published.

*GENERAL SVIRIDOV:* I understand the matter was put before the U. S. Government just as it was put before my Government. The only thing to do is to carry out the orders given to us by our Governments. My policy is to avoid articles of that description. I suggest we finish with this subject.

The next question by General Weems concerns the United Incandescent Lamp and Electric Company (TUNGSRAM). In his letter of 29 November General Weems states that the company also contains U. S. interests and American capital represented. A percentage table was appended to the letter showing other ownerships by nationals of other governments. The table shows that German capital is also participating to the extent of 13.71 per cent. In reality, this information has been transmitted to us by a Soviet commission. However, nothing else has been transmitted. As far as U. S. capital is concerned, as far as I know this question is being decided by the ACC in Germany and how they decide will be the way it will be accepted. I have absolutely no information to contradict anything General Weems points out. We know the German part (now the Soviet part) equals 13.71 per cent, but otherwise no further information.

*GENERAL WEEMS:* My Government makes the point that of that 13.71 per cent owned by German interests at least 27.25 per cent and possibly 29.45 per cent of that 13.71 per cent is owned by U. S. interests. The German ACC will decide whether the two companies, A. E. G. and the Gesellschaft Fur Electriche Unternehmungen Fesfurel, will merge or not. If the ACC Germany recognizes this merger, the American interests will be 27.25 per cent of the German-owned 13.71 per cent of TUNGSRAM. If the ACC for Germany decides not to recognize this merger then the American interest will be 29.45 per cent.

<sup>356</sup> Alexander Knox Helm replaced A.D.F. Gascoigne in July 1946.

*GENERAL SVIRIDOV:* I want to repeat that we must await the decision of the ACC Germany.

*GENERAL WEEMS:* I wish it to be understood by the ACC for Hungary that the U. S. interest is at least 27.25 per cent of OSRAM and it is owned by the International General Electric Corporation of New York. I am merely informing the members of this ACC that the U. S. interest in OSRAM is 27.25 per cent, or 29.45 per cent.

*GENERAL SVIRIDOV:* I am going to transmit this information to the Soviet commission which takes over the German interests in Hungary. I wish to thank General Weems for transmitting this to me.

The next question by General Edgcumbe concerns the supply of furnishings under Article XI. General Edgcumbe states that there appears to be some misunderstanding and from that it is clear that he has something to say.

*GENERAL EDGCUMBE:* You remember at the last meeting we dealt with certain requests by General Weems. In the discussion which followed, from reading all my notes, I noted that General Sviridov said the Soviet officers made their purchases out of their own pockets. There was an implied misunderstanding about what we could receive from the Hungarian Government. I wish to make clear the British position. Under normal conditions British officers get funds and certain accommodations to provide necessities for their living quarters. We come to the situation here in Hungary. My Government expects the Hungarian Government to furnish quarters and all necessities and we do not receive an allowance which we would receive if we had to provide ourselves in England. The whole thing is what you can ask for here. It is not possible for us to send out from England furniture so we expect the Hungarian Government to supply furnished buildings on a reasonable but not a luxurious scale. When it was discussed before I got the impression that you receive an amount of money and you purchase what you want. I want it understood that we are all on the same basis and that we are not getting more than other members of other Representations. I am sure this is the same with General Weems. Another point, most of the things provided by the Hungarian Government were purchased during the inflation. All will be returned when we leave and, therefore, they will be rather better off. Does General Weems agree with this view?

*GENERAL WEEMS:* Yes.

*GENERAL SVIRIDOV:* I will state my point of view. There is a limit to all one desire. If we consider Hungary to provide articles of a personal nature then we would get to a situation which is absurd. If the Hungarian Government is obliged to provide silver, tableware and appointments, cut glass, curtains, utensils, then why does not the Hungarian Government provide me with the uniform? Why should not they be obliged to purchase for me writing materials, lighters, pince-nez, etc. They are personal items of mine. Furthermore, various people have various appetites. General Edgcumbe might be modest. I may demand more. I could demand everything of a luxurious nature as that may have been my style. I want sculptured works, silver, cut glass, because I have been used to such articles. I come from Leningrad and it is impossible to bring these things with me. If the question is put in such a way, it is absurd. Therefore, I think there should be a standard laid down for us all. We, the Soviet element, consider that if the Hungarian Government provides us quarters with heating, lighting, furniture, food and water, then we consider that sufficient. Anything above



that is luxurious. Then the commander himself should provide. That is not only the opinion of the Soviet element but that is the way we are living. In addition to the items mentioned, we also get food and gasoline which the Hungarian Government provides. We consider the individual officer should buy personal items. We can not impose on General Weems and General Edgcumbe our opinion. That is a matter for you to decide. Since our opinions differ, there is no reason to pursue the subject. Our principle is to cut down so the cost to the Hungarian Government is low. The requests by General Weems have been passed on to the Hungarian Government and they will make their own decisions.

*GENERAL EDGCUMBE:* I think there is still a misunderstanding. I believe General Sviridov misunderstands our viewpoint. Our only demand is what my Government would approve. I do not expect any silk but General Sviridov mentioned the matter of a carpet. I think it is reasonable to require a carpet for myself and my officers. If I want a carpet there are two ways to do it. The Hungarian Government can either loan it to me on my requisition or I can draw money from the Hungarian Government to pay for it. If I have paid for it in this manner I can take the carpet home to my Government. If the Hungarian Government furnishes the carpet to me, then when I leave the carpet belongs to the Hungarian Government. I think it is a little late for this matter to come up. If two years ago we had agreed to some standard we could have done it at the time. General Sviridov has mentioned that he is trying his utmost to save the Hungarian Government money. We are also trying to save for the Hungarian Government and only ask for a reasonable standard. I had hoped General Sviridov will realize this. I want him to understand that we do not ask for anything personal - for instance, I could ask for a dress for my wife; but, of course, I would never do a thing like this. The things we use here we merely borrow and we will hand them back when we will leave.

*GENERAL SVIRIDOV:* I think General Edgcumbe is entirely right when he said that he and the Americans demand only that which their own governments would give them. We do the same. We get furnished rooms, light, heating, food, water, gasoline, etc., and require nothing more. Anything else an individual wants, he buys.

*GENERAL EDGCUMBE:* The question seems to be what constitutes furnished rooms? I think we are together. I have to thank General Sviridov.

*GENERAL SVIRIDOV:* May we proceed?

The next question has been raised by General Edgcumbe, concerns German War Criminals asked for by the Hungarian Government for trial. General Edgcumbe's letter of 19 November has been passed on to the Hungarian Government.

*GENERAL EDGCUMBE:* May I ask if General Sviridov has had any inquiry on the letter?

*GENERAL SVIRIDOV:* It is quite clear what statements were made in that letter. Is General Weems informed?

*GENERAL WEEMS:* I was furnished a copy and it is the same as that used in our Representation.

*GENERAL SVIRIDOV:* Then the matter is quite clear.

The next question by General Edgcumbe concerns the deportation of Schwabians. I would like to be clarified in this matter:

*GENERAL EDGCUMBE:* I would like to have the situation with regard to Schwabians clarified and brought up to date. I understood that it has stopped for the moment, that [1]30,000 instead of 190,000 still to be deported. I would be grateful for the situation as it is now, so I could report to my Government.

*GENERAL SVIRIDOV:* Perhaps General Weems can tell you.

*GENERAL WEEMS:* In view of this matter as stated on General Edgcumbe's agenda, I have prepared a resume of the entire Schwabian expulsion and now pass it to other members of the ACC. The figure 190,000 given in General Edgcumbe's agenda was right as of September 1. In the agreement between the United States authorities in Germany and the Hungarian Government of 22 August, the Hungarian Government was permitted to expel 90,000 from September 1, 1946, to April 1, 1947, and an additional 100,000 during 1947. They did not take advantage of the expulsion of Schwabians throughout September, October and most of November; therefore, that number of trains is lost. Therefore, the Hungarian letter transmitted through the Chairman of the ACC, No. S-125, which says "the Hungarian Government insists on its right to continue the expatriation of Schwabians until 90,000 Schwabians have been resettled by April 1, 1947" is not correct. Finally, I wish especially to invite attention to the last paragraph in which I refer to General Sviridov's letter of 2 December in which he states the Committee of Coordination in Berlin affirms that they would fulfill the plan concerning the expatriation to Germany. I have received no information or instructions in this matter and am therefore not prepared to give further information regarding the resumption of the expatriation program of Schwabians. As soon as I get information in that regard, I will reply to General Sviridov's letter. I have nothing further unless there is some question<sup>357</sup>.

*GENERAL SVIRIDOV:* I would like to inform you about one or two facts about which I know. I know that the decision arrived at in Berlin states that 500,000 Schwabs would be expelled from Hungary inasmuch as that decision was taken by the Allied Control Council it falls upon us to carry out this decision. Therefore, we are interested to carry out this expulsion as we are interested we are obliged to see that it is fulfilled. I know very well that the Hungarian Government has arrived at a decision to expel 380,000. Up to date only 126,000 have been deported. There are still 254,000 to be expelled in round figures 250,000 still to go. Since the decision of the Berlin Council has been carried out very badly, deportations are going very slowly, interference makes no difference. We try to help but still it goes badly. Why does it go slowly? The reason is that United States authorities in Germany put forth new conditions. First they demanded Reichsmarks, adults 400 (minors 300). (There was a short discussion as to which figure was correct for the adults, 400 or 500). The question was not settled. For a long time Hungary could get no marks. Nobody would give them. They found several million and began to use them for deportations. Then more restrictions. In the winter time it is inhumane. This time last year deportations continued but this year the weather is better but the movements is stopped. These are conditions which were not provided for in the original agreement. The Austrian ACC informs me that another condition is now imposed - that every train should have 50 tons of coal. If

<sup>357</sup> For the American point of view regarding this subject see General Weems' Final Report (Appendix F, Expatriation of Schwabians) dated 15<sup>th</sup> September, 1947. - FRUS 1947, vol. IV, p. 368-381.

not, it will not be accepted. That condition is not covered in any agreement. Therefore, you could put forth another 20 new conditions and step it altogether. I cannot understand the United States authorities in Germany. I do not understand what the matter is. To date the deportation is at a standstill. On 26 November a decision was taken in Berlin to continue the deportation. They say we shall live and learn what shall transpire. These are actual facts. General Weems states that the Hungarian Government had not taken advantage of conditions laid down but conditions finally put forward were such that they could not comply. Should the United States authorities permit the further deportation it would have to stop now for they have no further Reichsmarks. They had only about 10,000,000 Reichsmarks, only enough for 20,000 persons.

*GENERAL WEEMS:* This is news to me, the matter of Reichsmarks. Would the Hungarian Government agree to suspend movement of the Hungarian Schwabs after they have used up their Reichsmarks? Do they contemplate suspension?

*GENERAL SVIRIDOV:* They will again look for Reichsmarks. Having spent 10,000,000, they will look for new sources; perhaps now you or General Edgcumbe.

*GENERAL WEEMS:* I have no information regarding 50 tons of coal. I only know there is a coal shortage in Austria.

*GENERAL SVIRIDOV:* I am informed that Hungary provides coal as far as Linz. This calculation of coal requirement is worked out between the Hungarians and the Austrians. The American military authorities in Austria require coal to go on to Germany.

*COLONEL WILMETH:* The Americans had required that each train carry 50 tons of coal. That is for the trip to Freilassing on the German border and return. This coal is not removed from the train so if any is left over it returns to Hungary. The coal requirement is Austrian, not American.

*GENERAL SVIRIDOV:* That is as I have been informed.

*GENERAL WEEMS:* I would like to mention that it is not only weather but also a shortage of fuel, food, housing and inability of the German people to assimilate the backlog of Schwabians now on hand.

*GENERAL SVIRIDOV:* I request General Weems to inform the authorities in Berlin that unless the conditions are changed we shall not be able to carry out the decision of the Coordination Committee.

*GENERAL WEEMS:* I have sent a cable to Berlin giving information which you gave me regarding the Coordinating Committee and have not yet received a reply.

*GENERAL EDGCUMBE:* I have to clear up these numbers. How many more Schwabians does the Hungarian Government say must leave?

*GENERAL SVIRIDOV:* The Hungarian Government considers the correct figure to be 190,000. That is in the agreement. I believe that when the agreement was signed 360,000 were estimated but later they checked up.

*GENERAL WEEMS:* Under the terms of the agreement of August 22nd, there were only 120,000 left. They have moved 6,000 and lost 60,000 by not moving their trains. Therefore, only 124,000 are left. In view of the fact that I expect new instructions I suggest we close discussions now and I will give further information when I receive it. I have sent the information General Sviridov gave me and I expect new instruction seen, which I will give to the ACC.

*GENERAL SVIRIDOV:* Until such time as General Weems receives information as to how many Schwabs are to be deported, we will close.

*GENERAL EDGCUMBE:* I would like to know how many Schwabians the Hungarian Government wants to remove. As I understand it, we are obliged to supervise the movement of all the Schwabians which are to go regardless of whether the Hungarian Government fails to get them out on a schedule. If they are low now they still will go. The agreement was merely the arrangement for movement over a period of time. If they are not going out now then the Schwabs will go out in 1947. Potsdam said to clear out all the Schwabian. If there are going to be some left, my Government would like to know.

*GENERAL SVIRIDOV:* I am in absolute agreement with General Edgcumbe.

*GENERAL WEEMS:* The Potsdam Agreement does not require that any number of (even one) Schwabs be expelled. It permits these the Hungarian Government wants to expel. It does not require but only gives permission.

*GENERAL SVIRIDOV:* An estimated 500,000.

*Resume of Schwabian Expulsion (Presented to Members of ACC by General Weems)*

*4 June:* The Schwabian expatriation movement was suspended by orders of the U. S. Military Government authorities in Germany due to abuses observed in shipping out trains to the U. S. Zone of Germany. Penniless and destitute people were overburdening German welfare agencies.

However, an additional 6 trains were allowed to be moved after the suspension, the last one of which left.

*22 June:* Thus in the first part of the movement, from 19 January to the end of June, a total of 118,474 Schwabians in 122 trains were expatriated.

*8 July:* The new provisions and terms under which the movement could be resumed were presented to the ACC for the Hungarian Government.

*22 August:* After long discussions and several meetings the terms, somewhat ameliorated, were signed by the Hungarian Government<sup>358</sup>. According to para. 10 of this agreement, "... the U. S. Zone of Germany will accept Schwabians expelled from Hungary from 1 September 1946 to 1 April 1947 at a rate of 20 trains per month up to 90,000... No train will transport more than 1,100 Schwabians... The movement will continue until the resettlement, and, or weather conditions in Germany compel a suspension."

Para. 11 provides: "... The schedule will state the date and approximate time each train will reach the Hungarian-Austrian border; If a train does not reach the Hungarian-Austrian border on the specified day, the train will be lost and cannot be made up<sup>359</sup>."

*8 November:* The Hungarian Government due to its inability to procure the needed Reichsmarks was not able to start the actual movement before this date.

*9 November:* Informed Hungarian Government of suspension of movement on 1 December because of inclement weather.

<sup>358</sup> Balogh Sándor, *Magyarország külpolitikája 1945-1950*, Budapest, 1988, p. 100.

<sup>359</sup> The last four words were underlined in the original text.

Under the provisions of the agreement 60 trains carrying 66,000 Schwabians could have been expelled in the period 1 September - 30 November.

*25 November:* Owing to coal shortage in Austria and lack of rolling stock, by the end of November the Hungarian Government shipped 6 trains carrying 6,660 Schwabians. This brings the total to 128 trains, carrying about 125,000 Schwabians.

Para. 18 of the August 22nd agreement states that "... if a maximum of 100,000 Schwabians are accepted into the U. S. Zone of Germany within the period of 1 April 1947 to 30 December 1947, the expatriation of Schwabians will have been accomplished..."

The agreement provides for meetings in March 1947 to discuss any changes in physical operation of the movement for the 1945 period.

General Sviridov's letter to me of 2 December 1946 refers to a meeting of the Committee of Coordination in Berlin on 26 November which affirmed that they would fulfill the plan concerning the expatriation of Germans. I have received no information or instructions in this matter and am therefore not prepared to give further information regarding the resumption of the expatriation program of Schwabians.

*GENERAL SVIRIDOV:* May we proceed with the next question by General Edgcumbe concerning the clearance for couriers? We always give passes very quickly for couriers. In the present instance there is no difficulty. I think we can give a pass for couriers to pass as many times in one month as he may require. We only want his name. We will issue a pass on a monthly basis.

*GENERAL EDGCUMBE:* It is not the same individual coming back each time. There is no special condition right now and if any condition arises, I will speak to General Sviridov.

*GENERAL SVIRIDOV:* Just call up and we will give passes immediately.

I wish to refer to a letter with regard to the Graves Registration Unit by General Edgcumbe, in which General Weems is also interested. That area contains troop dispositions and I am not competent to permit entry into that area. I spoke about the matter to the Commander of the Occupation Forces here and in Austria and he advised as follows: The American Commander in Vienna should take up the matter with the Soviet Commander in Austria and settle the question and they should arrive at some solution. The High Command suggested that you provide them with a letter giving them a clue as to the location of the graves. They will then locate the grave and ask you to come in for the disinterring of the bodies.

*GENERAL WEEMS:* Would it be better for us to work from here in Budapest in this matter of Graves Registration work or from Vienna?

*GENERAL SVIRIDOV:* I would do it with pleasure but the High Command has stated that as troops are there in that area they are the only ones who can give passes to that area. They want a clue as to the approximate location. Their people will locate the graves exactly and then have you people come in and dig them up. This is just a question of mutual assistance.

*GENERAL EDGCUMBE:* I thank you. We will take this up with Vienna.

*GENERAL SVIRIDOV:* The next question by General Edgcumbe concerns a letter which concerns the British Shell Oil Company. The guards at the Shell Oil Company will be taken away tomorrow or the day after. The control over the firm will be settled in the next few days. The only thing remaining is the assurance of the

directors of the company that they will fulfill their obligations and then the control will be withdrawn. Does General Edgcumbe have anything to add?

*GENERAL EDGCUMBE:* This matter of fulfilling obligations is between the directors and the Hungarian Government, with no relation to the Soviets. May I be assured that both the Soviet guard and the control be removed? I want it to be clear that there is no interference by the Soviets or the ACC in this arrangement.

*GENERAL SVIRIDOV:* I understand the situation same as you. The firm gives its assurance as far as the Hungarian Government is concerned.

*GENERAL EDGCUMBE:* It is a matter between the Hungarian Government, my Government, and the firm.

*GENERAL SVIRIDOV:* I understand.

The next question concerns entrance clearances brought up by General Weems, the question of Mr. Maas and Mr. Kantunek. The Commander of the Occupation Forces has decided that one of these two will be permitted to enter. It is up to the United States Government to decide which since they are both from the same firm and on the same business, either one may come in. I requested their passes twice. If General Weems can decide which one, we can decide it on the spot.

*GENERAL WEEMS:* I must check my records first.

*GENERAL SVIRIDOV:* That ends the questions today.

*GENERAL EDGCUMBE:* May I raise another point? We have gotten on to our old subject on clearances. I wrote General Sviridov on 29 November about 12 British trade representatives to enter Hungary. My Government wants reasons for their refusals. I hope General Sviridov will be able to give me a reply soon?

*GENERAL SVIRIDOV:* I received your letter and passed it on to the High Command. I hope to get a reply soon and will inform you through your Chief of Staff.

*GENERAL EDGCUMBE:* My Government have especially written about Mr. Singer and my Government sent a telegram about Mr. Cox. While my Government presses for all these requests, these two are very urgently required to come here. Could I request that General Sviridov request a favorable reply on these two? These are matters of immediate importance but I do not want to lessen the importance of the others.

One other question. We have some Hungarian DP's due from India. I have sent in full particulars and am very anxious for them to come in. I would like to have a reply soon as many things have to be done. They are sitting about in camps in India. We want to give them back to the Hungarians.

*GENERAL LEVUSHKIN:* This matter will be settled in a day or two. The two conducting officers have already been cleared.

*GENERAL EDGCUMBE:* Yesterday two of my officers observed in the streets and reported to me the incident in which a Hungarian lorry was seen to drive deliberately into a platoon of Russian soldiers. I wish to offer my sincere sympathy for such a disgusting thing happening. Though my officers did not get any numbers, they will be glad to do anything they can toward the apprehension and the bringing to justice of these criminals. They have made out a report on it and have given it to me and I will forward their report to you. It is a disgusting incident.

*GENERAL SVIRIDOV:* Thank you, thank you, thank you. There were three victims.

*GENERAL EDGCUMBE*: I would like to explain that my two officers were stopped on the street having car trouble. They saw this Hungarian lorry coming and they said that it swerved toward the head of the platoon and hit the officer and two other men, then went straight on. I am sorry that this disgusting incident could happen.

*GENERAL SVIRIDOV*: We are conducting an investigation, but no one knows the number of the machine.

*GENERAL WEEMS*: May I have one more question? At the meeting of 17 October the subject of return of the Vacuum storage plant was discussed<sup>360</sup>. General Sviridov stated he recommended that the property be released and would let me know. I have not heard anything.

*GENERAL SVIRIDOV*: The plants are occupied by Occupation Forces and it was promised to me to decide in the near future and withdraw forces from the plant. However, when they looked the situation over they found no other space for storage so they do not know how to free this storage space. As soon as facilities are found the Vacuum Oil Company's storage facilities will be evacuated. On the other hand, the Hungarian Reparations Administrators must pay rent to the Oil Company for these storage facilities. I was promised that the issue would be decided soon but up to this time I do know this plant is occupied by our personnel.

*GENERAL EDGCUMBE*: How many more meetings will there be before the Peace Treaty is signed?

*GENERAL SVIRIDOV*: I do not know how much longer it will be, but I heard a remark that the signing of the Peace has been deferred to 1947. Another thing, it is unpleasant to fly in the winter. I am sure it is better to wait until the spring when we can say "goodbye" to one another in beautiful weather and then leave.

*GENERAL EDGCUMBE*: According to reports they seem to be getting on very well in New York.

*GENERAL SVIRIDOV*: Yes, peace will be.

*GENERAL WEEMS*: I want to express my appreciation, through the ACC, to General Kondratov for prodding the Defense Ministry into delivering the Hungarian uniforms, standards, insignias, etc., to us. The Defense Minister<sup>361</sup> thought they were at the ACC but General Kondratov found out that they were at the Ministry for Foreign Affairs.

*GENERAL SVIRIDOV*: So then everything is okay.

*GENERAL WEEMS*: Yes.

*GENERAL SVIRIDOV*: Then that is all, and we have taken two hours and a half. That is all.

711.9 Allied Control Commission, Record Group 84, Budapest Legation File: NA, Washington D.C.

<sup>360</sup> See document 37.

<sup>361</sup> Bartha, Albert (1877-1960), Minister of Defense from August 1946 to March 1947.

## 40.

*Conference of 23 December 1946*

Minutes of a formal meeting of the ACC where issues such as clearances, travel arrangements for ACC members, the situation of Schwabians, etc. were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

### NOTES

A meeting of the Allied Control Commission for Hungary was held at 14.15 hours on 23 December 1946 in the conference room of the Soviet Headquarters in Bajza utca, near Andrassy út, Budapest, Hungary.

The meeting was called to order by the Acting Chairman, Lieutenant General V. P. Sviridov, who presided in the absence of Marshal Voroshilov.

Present were: *The United States Representation*: Brigadier General George H. Weems, Colonel John H. Stokes, Jr., Lieutenant Colonel William M. Shyden, Captain Leonid Gran.

*The British Representation*: Major General O. P. Edgcumbe, CBE, MC, Lieutenant Colonel P. C. Capron.

*The Soviet Representation*: Lieutenant General V. P. Sviridov, Major General I. I. Levushkin, Rear Admiral M. A. Trainin, Lieutenant Colonel M. I. Cherkasov.

The discussion was substantially as follows subject to any discrepancies in the translation from Russian.

Note: No agenda was prepared by the Acting Chairman or the United States Representation, but the following proposed agenda was submitted by the British Representation:

#### 1. Visits to Western Hungary.

In accordance with the suggestion of the Deputy Chairman of the ACC at the meeting on 6th December<sup>362</sup> and the discussion which followed on the 12th December with General Levushkin<sup>363</sup>, the question of visits to the area in Western Hungary which is now closed, has been taken up with the British Authorities in Vienna with a request that they approach the Soviet High Command. It is pointed out, however, that according to the Statutes of the ACC British representatives are authorized to move freely throughout Hungary and the closing of such a considerable area of the country appears to be contrary to this agreement. It is understood that the area concerned is as follows:

*North*-Straight line from north of Lake Balaton to Komárom, then south and west side of main Vienna road.

<sup>362</sup> See document 39.

<sup>363</sup> Notes of the meeting of the discussion held on 12th December is not printed.

South-Straight line from south of Lake Balaton through Nagykanizsa to the border.

It is desired to discuss this question further.

## 2. Schwabians.

It is desired to know whether any further information is forthcoming on the deportation of Schwabians. In addition it is requested that the approximate number of Schwabians remaining to be deported according to the Hungarian Govt. figures may be stated. In connection with this, newspaper reports state that small numbers of Schwabians are returning illegally from Germany to Hungary and it is desired to know whether there is any truth in this.

## 3. Repatriation of Displaced Persons.

It is desired to arrive at an agreement as to exactly what particulars are necessary regarding persons to be repatriated, prior to approval being given for such repatriation. Letter BMH/7/hil of 14th December refers.

## 4. Clearances.

Referring to discussion at ACC meeting on the 6th December and my letter BMH/901/Sect of the 29th November. It is desired to ascertain the reasons for refusal of so many British Trade Representatives, for the early information of the British Govt.

## 5. UNO Sub-Commission on Devastated Areas.

This matter was discussed at an ACC meeting on 12th November<sup>364</sup> and there has since been correspondence on the subject namely ACC letter 2693 of 21 November and my reply 480 of the 26th November. It is desired to ascertain what progress is being made with the report on Hungary.

## 6. Return of Hungarian Shipping from the U. S. Zone of Germany and Austria to Hungary.

It is understood that various arrangements are in progress regarding the return of this shipping and it is desired to know what the situation is.

## 7. Christmas and New Year's Greeting.

As this is the last Christmas and New Year during which the ACC is likely to function, it is suggested that it might be a pleasant gesture to send a message of goodwill for Christmas and the New Year signed jointly by the Deputy Chairman of the ACC, the American and British representatives, to the Hungarian President and/or Prime Minister.

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*GENERAL SVIRIDOV*: Let us begin. Today the items on the agenda are by General Edgcumbe, which have also been accepted as the agenda by General Weems.

<sup>364</sup> See document 38.

The first question is one about visits by representatives of the British and the American Missions to Western Hungary – the British and the American elements of the ACC. I have on two occasions submitted this to the High Command who considers as a temporary measure the following: the decision of the High Command is for General Edgcumbe and General Weems not to send their officers to the following localities. There are altogether four such localities: one is Sopron, the second one is Szombathely, Zalaegerszeg and Nagykanizsa. Those are the four localities you are requested not to visit. With regard to the others, you may do so, with the exception of Veszprém in which case you must be accompanied by representatives of the Kommandatura. In all the remainder of the towns and localities in Hungary, you may go about without a guide from the Soviet element. The High Command states this is a temporary measure. Again winter exercises and maneuvers have commenced, using live ammunition. Therefore that zone which is out of bounds becomes smaller. In this connection, I shall again have a talk with the High Command in regard to the conditions under which it may be possible to visit those four localities which are still banned. As soon as I have a decision on that subject I will inform General Weems and General Edgcumbe. Are there any remarks or discussions on this particular question?

*GENERAL EDGCUMBE*: I should like to thank General Sviridov again for this. When he says "localities", does that mean the actual towns or what sort of area around the towns? For instance, if you want to go within about five kilometers of Sopron, is that all right? Is it actually in the town? For Sopron, say, my party wants to go just about there (indicating on map). How does one try define the locality?

*GENERAL WEEMS*: Frequently you have to go through the town to go actually where you want to go.

*GENERAL SVIRIDOV*: The town itself. I think in that case that you should apply to me in every individual case where you have to go through a town and I shall inquire and find out how it can be done. Veszprém is a central kind of town through which it is almost impossible not to go – you can not bypass it. Therefore, that is the reason why they ask that you go to Veszprém with a guide so there will be no possible misunderstanding with the Soviet patrols. Of course, too, it is permitted to visit Veszprém with a guide.

*GENERAL EDGCUMBE*: I think that is quite clear.

*GENERAL WEEMS*: The General mentions that this is a temporary measure, when in fact that area has been closed for several months, and I have not been able to get my Graves Registration team into that area to disinter the bodies of American soldiers. This seems to me to be clearly in contravention of the Statutes of the Allied Control Commission for Hungary, which were forwarded to my Mission on 14 August 1945 by Marshal Voroshilov, in which subparagraph d of paragraph 6 states that British and American representatives are authorized free movement everywhere in the country; they should, however, inform the ACC in advance of the time and the route of the journey.

*GENERAL SVIRIDOV*: General Weems is quite correct when he states the position of the Allied Control Commission to be as laid down in that particular paragraph 6, subparagraph d, which permits free access to all parts of Hungary by all representatives of General Edgcumbe and General Weems. On the other hand, I have to act according to the regime laid down by the Occupying Forces, which state that this

particular area was banned. I have spoken to them from time to time on the subject and I am assured that this is purely a temporary measure. The Occupation Forces do not come under me but under the High Command. I, as the Deputy Chairman, cannot instruct them to alter their decisions, but they have now compromised by narrowing down the limits of the particular area which is banned to the four localities as stated.

*GENERAL WEEMS:* Can the General give an idea as to when we may be able to have free access to all the areas in Hungary?

*GENERAL SVIRIDOV:* I imagine that during January things will be clear. The winter exercises will terminate, and then I think that free access or free movement will be allowed to all parts of Hungary. May we proceed to the next item?

*GENERAL EDGCUMBE:* Please.

*GENERAL SVIRIDOV:* The next item is the repatriation of Schwabs, raised by General Edgcumbe. As already stated at the last meeting, according to the agreement with the Hungarian Government there are 190,000 Schwabs to be repatriated. To date 126,000 have been deported, therefore, the sum total of Schwabs to be deported numbers 316,000. As I know, in 1945 the Hungarian Government decided to repatriate 360,000. Since the repatriation of Schwabs has met with certain obstacles, the Hungarian Government is not insisting on this total and the remainder to go is 190,000. In addition, the Hungarian Government is aware that they are permitted to deport all the Schwabs, numbering 500,000, but at the moment the Hungarian Government is not insisting on this. It is possible that when the 190,000 have been deported the question may arise about deportation of further numbers. Nobody has withdrawn this right from the Hungarian Government. That is the answer to the first question.

The second part of the question is in connection with the illegal reentry of Schwabs from Germany. We have information put forward by our own officers that trains bringing Hungarians which arrived on the 26th of October, the 9th of December and 17th of December, brought Schwabs with them to the total of 922 persons. Of these, Hungarian Schwabs numbered 223 and Romanian Schwabs numbered 701. Furthermore, the Hungarian authorities have taken the Schwabs and put them across the Hungarian frontier into Austria. In this connection I wrote General Weems a letter requesting that Schwabs not be loaded and sent in with Hungarian nationals; furthermore, I requested that these Schwabs be returned. I have General Weems' agreement that these Schwabs should be dispatched and returned to the American Zone in Germany. The Soviet authorities in Austria have agreed to provide the facilities for return of these Schwabs through their territory in Austria. I suspect there has been a misunderstanding. I request General Weems to get in touch with his authorities in Germany so that these Schwabs shall be accepted. I imagine there has been some kind of an error in sending them back. That is all I am able to inform you on this question.

*GENERAL EDGCUMBE:* Thank you.

*GENERAL WEEMS:* May I elaborate somewhat on the statement made by the Deputy Chairman? I should like that all of us be thoroughly familiar with the agreement between the U. S. authorities in Germany and the Hungarian Government dated the 22nd of August. Under that agreement Hungary was given permission to expel 190,000 Schwabians under the stipulations of the agreement. That agreement specifies that when Hungary schedules a train and it does not go that train is lost. Under those

conditions Hungary may expel 100,000 in 1947 if she maintains her schedule, and she could have expelled 90,000 between September of this year and the 1st of April of 1947 had she maintained her schedule, but under the present circumstances she cannot, in conformity with the August 22nd agreement, expel the total of 90,000 stipulated. Again I suggest that the agreement of the 22nd of August 1946 be thoroughly understood by the Allied Control Commission. My Government expects no basic departure from that agreement.

My letter to General Sviridov of December 20th, a copy of which has been or will be furnished General Edgcumbe, states the reasons for the suspension of the movement.

In answer to the second part of General Edgcumbe's question, I wish to make the following remarks: When trains bringing back to Hungary Hungarian repatriates were commanded by the U. S. military authorities, the Hungarian border police were not permitted to take any of these repatriates off the train until they arrived at Komárom or Kaposvár. As the Acting Chairman may recall, in his letter of November 1st regarding this matter of Schwabians and Romanians coming back we permitted the border police or political police to board the trains and make certain inspections and it is my opinion that that is where the trouble all started. The people who return to Hungary from the American Zone in Germany are screened by a board of Hungarian officials in our Zone. It is not the responsibility of the U. S. Forces to say who is Hungarian and who is not Hungarian. That is up to the screening board, and they have put these Hungarians, Romanians of Schwabians on the returning trains. At the border the political police evidently take over and try to correct what errors may have been made by the screening board. I suggest as an immediate remedy of the situation that has developed, and will continue to develop most likely, that the political police and the border guards of the Hungarian police forces not be permitted to enter the trains or to screen these individuals until the trains have reached the destinations of Komárom or Kaposvár.

That is all unless General Edgcumbe has a question to ask.

*GENERAL SVIRIDOV:* I have an additional question concerning the first part. According to the agreement, how many more Schwabs do the Hungarians have a right to deport?

*GENERAL WEEMS:* I do not wish to commit my Government to an exact figure, but it has been definitely established that 46 trains have been lost according to the agreement; that would be a total of 1,100 per train, and 46 trains have been lost of the 90,000 that could have gone.

*GENERAL SVIRIDOV:* In other words, the Hungarian Government has no right to deport these 50,600 people and therefore the Hungarian Government has the right to deport only 140,000.

*GENERAL WEEMS:* I cannot give you now the exact figures because there is to be a conference between the U. S. authorities in Germany and the Hungarian authorities some time in January or February to decide and agree upon the exact number of trains that will be accepted in the U. S. Zone. That has been explained in my letter to General Sviridov dated December 20th, a copy of which will be furnished to General Edgcumbe.

*GENERAL EDGCUMBE:* Is that a conference in January?

*GENERAL WEEMS:* January or February.

*GENERAL EDGCUMBE:* Between the Hungarian Government and U. S. authorities?

*GENERAL WEEMS:* In Germany.

*GENERAL SVIRIDOV:* The conference will be in Germany?

*GENERAL WEEMS:* Most likely it will be here in Budapest, I cannot say for sure.

*GENERAL SVIRIDOV:* Perhaps General Weems knows that during the winter months there is no deportation of the Hungarians. Will these trains which did not leave because of various reasons – will they be counted as a loss?

*GENERAL WEEMS:* Those for the winter months no, they are not scheduled.

*GENERAL SVIRIDOV:* Therefore the winter period is not included in the schedule?

*GENERAL WEEMS:* It is not included in the trains that have been lost. Only trains that were scheduled and did not go have been lost under the terms of the agreement.

*GENERAL SVIRIDOV:* Furthermore, it is known to me that the Control Council in Berlin at its sessions in November and early in December have decided to continue the deportation of the Schwabs. Thus the Control Council decides one thing and the American authorities in the American Zone in Germany decide something quite different and this situation is not clear to me.

*GENERAL WEEMS:* It is my understanding that at a meeting of the Coordinating Committee of the Allied Control Authority in Berlin on December 3rd, it was decided that the Directorate for Displaced Persons and Prisoners of War would undertake measures for the implementation of the transfer of German nationals in Hungary and other places, but my Government insists on the proper principle of executing these transfers so that it will be in an orderly and humane manner in accordance with the Potsdam Agreement. I only wish to add one more point. My letter to General Sviridov dated November 9th, 1946, a copy of which was furnished to General Edgcumbe, merely stated that it had become necessary to suspend, not stop, the movement of Schwabians during the winter months, and it very faithfully gave the reasons why such suspension was necessary.

*GENERAL EDGCUMBE:* Could I ask a question? It is about this agreement. This agreement is the 22nd of August, is not it?

*GENERAL WEEMS:* Yes.

*GENERAL EDGCUMBE:* As understand it, that agreement concerned all details covering movement up to the 1st of April, and then the whole question was going to be reconsidered. It was my thought that the trains would be made up after April 1st. I didn't realize there was any intention to lose any trains whatever – that any Schwabians lost would be deported under a new program. I would never have read that agreement to mean that that number was lost forever.

*GENERAL WEEMS:* Yes, that is my understanding of the agreement.

*GENERAL EDGCUMBE:* It certainly would not mean that to me. I must make it clear that I certainly wouldn't read it that way. I do not believe any agreement of that sort would override the original intention of the Potsdam Agreement. I just want to make that point so we should know that I am not quite clear.

*GENERAL WEEMS:* May I make one more statement? I will read from one sentence that may clear up this point, – paragraph 11, the last sentence, states that, "if the train does not reach the Austrian-Hungarian border on the specified day the train will be lost and cannot be made up." That was definitely agreed to by the Hungarian authorities and by our authorities in the agreement.

*GENERAL EDGCUMBE:* I see that, but thought that the last paragraph states that it only applies to April 1st. I can not quite see the difference between stopping it for winter measures and for having to lose it.

*GENERAL WEEMS:* Stoppage for the winter months is not stopped — suspended — until we can get housing to accommodate these people in the German Zone where there is a shortage of heating material, food and housing – until we can receive in an orderly and humane manner the Schwabians from Hungary.

*GENERAL EDGCUMBE:* I understand all this will be discussed at the meeting. It will all be discussed.

*GENERAL WEEMS:* Yes, in January or February.

*GENERAL SVIRIDOV:* Have you any more points to make, General Edgcumbe?

*GENERAL EDGCUMBE:* I am sorry, but I am not quite clear about these people being screened by the border police. The border police get on the trains and make trouble? You want different arrangements?

*GENERAL WEEMS:* The Hungarians have a screening committee in our Zone similar to the one that you asked for in your letter of December 19th. They have screened the Hungarians who are to return. When the train gets to the border the political police or border guards board the trains and proceed to rescreen, and they pick out those they do not want and send them across the border into Austria. I thought if we could keep the political police off the trains and let them proceed to Komárom or Kaposvár, then if they find Schwabians or Romanians let the Hungarians take care of them the way they want to.

*GENERAL EDGCUMBE:* Thank you very much.

*GENERAL SVIRIDOV:* I would like to ask your permission to ask a couple of words concerning this question. The issue of movement of Schwabs and Germans is not something that has been privately agreed upon by the Hungarian and American authorities, but it is an agreement or a decision reached by the Allies. That is the situation. The second point is this, as General Weems said, his Government did not give an order or a directive to stop the migration or the deportation of the Schwabs, it only insisted that such movement should be done in decent and humane manner, but it did not preclude any movement of Schwabs out of Hungary. Therefore, it appeared to me, and I thought that this whole thing was caused by American military authorities in Germany. They decided to stop this deportation because it was proceeding not in a humane manner.

*GENERAL WEEMS:* They decided to suspend it because it was not in a humane manner.

*GENERAL SVIRIDOV:* The military authorities in Germany?

*GENERAL WEEMS:* Yes.

*GENERAL SVIRIDOV:* Then I want to add that the convention, or rather the agreement between the American military authorities and the Hungarian Government, cannot either replace or substitute or supersede the agreement reached by the Allies.

I look upon this agreement as a private agreement only and an agreement on technical issues at that, namely, how many trains, how much foodstuff each train will take, how many carriages would proceed - a private agreement how the thing should be handled. The numerical issue was agreed upon for what reason? Because you can only deport a given number within a given period of time. If technically it would be possible to transport more people, then the figure would be altered - it would be considerably greater. [H]ere the numbers are qualified by the amount of traffic the railroads can handle and by the number of trains. After all, railroads can handle only so many trains and that would limit the number of people to be deported.

*GENERAL WEEMS:* I might add to that that the facilities in the receiving zone in Germany have a direct influence on the number that can be handled also.

*GENERAL SVIRIDOV:* In other words, we cannot put this agreement at the head of things. We cannot regard it as a basic document. It is a private agreement conditioned by a number of purely technical circumstances. Furthermore, this agreement is unilateral, neither the British Government nor the Russian Government have taken part in arriving at this agreement.

*GENERAL WEEMS:* Yes, they were all invited to participate in these meetings, and in one of the meetings your General Belianov, or Kondratov - I am not sure - participated in the meeting in which the agreement was arrived at between the Hungarian authorities on one hand and the U. S. authorities on the other hand.

*GENERAL SVIRIDOV:* Perhaps some of our representatives did attend, it is quite possible but no one had asked our representatives as to what they thought about it. The whole thing was done without the consideration of our point of view, without asking us for our opinion. If such an opinion would have been called for I would have immediately been contacted. They would have asked me, and no one has asked me about that. Therefore, I conclude that this document, or this agreement, is not a document as such for either General Edgcumbe or for me, or for our respective Governments - it is just a private agreement. I think that it was a technical convention or technical agreement which was necessary, and which was therefore concluded, and I regard it as a technical and auxiliary document to the main convention or main agreement reached by the Allies. That is General Edgcumbe's opinion?

*GENERAL EDGCUMBE:* I agree entirely with General Sviridov. It is exactly what I feel.

*GENERAL SVIRIDOV:* It is my opinion that inasmuch as this question is being decided upon by the Control Council in Berlin it is clear that we cannot come to any decision here and it is valueless to discuss it any further.

*GENERAL WEEMS:* I agree and assure both General Sviridov and General Edgcumbe that I will communicate your views as accurately as I can to our authorities in Germany.

*GENERAL SVIRIDOV:* Now, concerning the boarding of trains by Hungarian political police. Insofar as the trains are being accompanied and guarded by American authorities, it is entirely a matter for the American authorities. I cannot take any part in it. Since Americans are in charge of the trains, it is up to them to allow the political police to board or not to allow them to board - to allow them to unload train passengers or not to allow it. The whole thing is in the hands of the American authorities.

*GENERAL WEEMS:* The trains are not now in the hands of the American guards. The Schwabian trains on their return bring Hungarian DP's, and are in the hands of the Hungarians.

*GENERAL SVIRIDOV:* There were no Schwab trains to go up there, therefore, no Schwab train would return, and it could not have been any Hungarian trains.

*GENERAL WEEMS:* The trains have not been guarded by Americans. If we go back in the correspondence we will find a letter from General Sviridov pleading, on behalf of the Hungarian police, to permit the police to board the trains.

*GENERAL SVIRIDOV:* Up to now I always know that they were being screened in a camp at Komárom, but the idea never occurred to me that the Hungarian police should be allowed to board the trains.

*GENERAL WEEMS:* See a letter signed by General Levushkin, dated November 1st, No. 2601, asking us to cooperate with Hungarian border police at frontier points. We replied to that letter stating in effect that we would cooperate to a certain extent.

*GENERAL SVIRIDOV:* That was a covering letter that went to General Weems from the Hungarian Government. It is quite possible that the Hungarian Government has made such a request.

*GENERAL WEEMS:* They did and General Levushkin supported the request.

*GENERAL SVIRIDOV:* I will ask your permission to conclude this issue on the Schwabs.

*GENERAL WEEMS:* I have nothing against it.

*GENERAL EDGCUMBE:* Very pleased.

*GENERAL SVIRIDOV:* The third question is with regard to repatriation of displaced persons insofar as the exact particulars which are required for such persons. In 1945 and 1946 there was a special form of questionnaire regarding certain information, which is as follows: The names, surname and christian name; the year of birth; place of birth; place of domicile in Hungary; the address; the citizenship, nationality; and the circumstances under which the particular person finds himself beyond the borders. That is the procedure or the practice required for the repatriation of persons from abroad. I would like to draw your attention to the fact that this is not a set of particulars drawn up for this particular case, but one which was drawn up a long time ago. It is presumably in order to assist the establishment of these people in their own homes or part of the country, and also to know with whom the Hungarian Government would have to deal. Have you any remarks to make, General Edgcumbe?

*GENERAL EDGCUMBE:* What I want to suggest to General Sviridov is that we should reduce the particulars, the reason being that it means a lot of correspondence and a lot of delay and very often they are not accurate. All these persons we want to come over can be handed to the Hungarian authorities and they can find out what they want when they interrogate them. I would like to suggest the full name, age and sex, and assurance that they are Hungarians from all the papers that are available. When permission is given them to come, and they are handed over to the Hungarian authorities here, then they can find out what they want when they get here. I am having considerable difficulty getting those particulars and it delays matters, and then people do not always answer the questions exactly as they should be. I can not really see that the Hungarian Government should need these particulars, provided we assure them that they are Hungarians. They take them and interrogate them when they get



them. When we were bringing in these displaced persons from Austria, trainloads of them, no lists were produced at all. It was not practical and, therefore, we brought in large numbers of Hungarians and handed them over for screening without any lists. Surely in order to expedite the return of these small groups which still remain in distant parts of the world it should only be necessary to give the name, age, sex and nationality, hand them over to Hungarian authorities here, and when they come in they can find out everything about them. That would save a great deal of inconvenience and a great deal of delay. The Hungarians can screen them when they get here.

*GENERAL SVIRIDOV:* As far as I can remember, General Edgcumbe informed me that these persons will be assembled in the British Zone in Austria. Is that so?

*GENERAL EDGCUMBE:* We do not know. They are people who have to come various ways. People from Africa; people from India, who have to come in various ways. There is a party coming from India who have approval to come through Romania, and the Hungarians are going to take them over on arrival at the frontier; bring them in and then screen them.

*GENERAL SVIRIDOV:* There is no reason why an exception should not be made. I quoted you the general repatriation procedure under which repatriation has taken place so far. It is desirable that the procedure should be followed, that the questions to be answered should be answered. But in individual cases I would take your word for it that they are Hungarians, and the names are as quoted, and we can depart from that procedure, but the general procedure is as stated.

*GENERAL EDGCUMBE:* Thank you very much. The General is very kind in saying that. May I have the exception apply to the Ugandi DP's? I gave the names, ages, sex and assurance they are Hungarians. This is the first exception to the rule. May I have an answer in writing when the General has looked up my letter regarding the subject? I think there are approximately 46.

*GENERAL SVIRIDOV:* We will come to an agreement on that.

*GENERAL EDGCUMBE:* Thank you very much. I do not think we have many outstanding little parties, and I do not think we shall need to ask him for many exceptions, but I thank him for this exception.

*GENERAL SVIRIDOV:* All right. We will proceed to the next item.

The next question is clearances, the entry into Hungary mainly of business men and similar placed persons. I have written out a total. The last eleven months, up to the 1st of December, I have received from General Edgcumbe 622 applications; 538 were given permits; 84 persons were refused. That is to say, 13 per cent refusals. If one takes the first 20 days of December, General Edgcumbe applied for 30 clearances, of which 26 were granted and four were refused. What are the reasons for refusals? As I have stated many times before, for every person's entrance I have to fight with the High Command in order to secure their entrance, and in most cases the reason for a refusal can always be put down to the fact that there are not sufficient grounds to warrant a visit by any particular person. What grounds are considered to be sufficient? In all cases where visitors are coming down on Hungarian Government business or political or economic, we always ask the Hungarian Government for their views, and ask them if the visit is necessary or not. The result of these inquiries is passed to the High Command, and we say that the Hungarian Government requires this or that person and only in very exceptional cases has there ever been a refusal for that

type of person. There have been cases where the Hungarian Government replied that this person or that person is not necessary, they have not been able to help us in any way, and the reason for such a visit is merely an outing for pleasure. They come here to buy goods or merchandise that does not exist, or they come here to sell merchandise which Hungary is unable to buy. When anybody comes here to complete a trade agreement, representatives of a Ministry or anything like that, then they are permitted to enter, or on the other hand come here to implement, to say, an agreement which has already been made or will be made, in such cases these persons are not refused. When a person comes here for no apparent reason, then we recommend to the High Command that it is for an outing. I must also inform you that this question of entry into Hungary has been placed before the Soviet Government by the British Ambassador in Moscow<sup>365</sup>. I imagine that this question will be settled and that the Commander of the Occupation Forces will receive specific instructions. The whole thing is based on the reasons for the person's wanting to visit Hungary. If the reasons have grounds, then they will get entrance. Possibly the questions some time take a long time to decide. Take for instance the singers. Shall we let them in or keep them out? No reason to come in because we have our own singers, or what benefit can they bring if they come here? I forget whether those two were considered to be necessary to come here.

*GENERAL EDGCUMBE:* I just do not remember.

*GENERAL SVIRIDOV:* As far as I remember, the Hungarian Government replied that their visit was not necessary. For the moment they were of no use to them, and some times the Hungarian Government takes a long time to decide whether a person should come in. For example, a man comes here desiring to buy timber for building purposes. Why should he come to Hungary to buy timber when there is not enough here for Hungary? The best way is to conclude a trade treaty and carry it out according to the terms of the treaty. Then in order to carry out the trade treaty, a number of persons may be required to enter the country. Under those terms, in order to carry out the trade treaties people come in here from Sweden, Switzerland, Poland and Italy. When representatives of private firms desire to come here the Hungarians generally answer to the effect that they have nothing to sell. I would like General Edgcumbe to understand that it is not a question of whether I want the person to come in or I do not want a person to come in. Every individual case is investigated, and it is a question of whether the person's visit is really necessary or not, whether it brings any benefit. Every case is sent up to the High Command for investigation and the Hungarian Government is asked about it. The percentage of refusals is very inconsiderable.

*GENERAL EDGCUMBE:* Well, General, may I say a word? As the General informs us that the Soviet Government is considering this question, I do not think there is any point in our discussing it further, but I would like to say this in regard to what General Sviridov said, that I do not regard it as really very satisfactory that the Hungarian Government should say the British trade representatives are required or not. I do not think they are in position to know in detail whether the visits are absolutely necessary. All these visits that are put forward by my Government are considered before the application comes in. Take the case of timber which General Sviridov mentioned. It may be quite true that, as the Hungarian Government says,

<sup>365</sup> Sir Maurice Drummond Peterson

there is no timber to sell. After a certain amount of discussions the Hungarians concerned may find out there is extremely more useful things than timber, and they can buy some extremely useful things from England in return for timber or in credit for the timber. Although on the face of it you may say there is no basis, some very satisfactory business may eventually be arranged. Furthermore, as regards the trade treaties, the private treaties, General Sviridov appreciates that the system with the British is that the arrangements are private trade agreements, and from that point of view it therefore makes it all the more difficult to accept that the Hungarian Government can say that these representatives of private firms should not come here. Although they are representatives of private firms, they are sponsored by my Government. I understand perfectly what General Sviridov says and I know what the point of view is, but I must say it is not quite satisfactory and I do not feel the Hungarian Government are in a position to really know whether or not these British trade representatives can do them good. In regard to percentages, I am afraid it is always the little percentages which causes me some trouble. I do not think it is necessary to discuss it further.

*GENERAL SVIRIDOV:* Would you allow me to proceed with the next question or does General Weems have anything further?

*GENERAL WEEMS:* Nothing.

*GENERAL SVIRIDOV:* The return of Hungarian shipping from the United States Zones of Germany and Austria. This question was put on the agenda for the purpose of [securing] information. I think that General Weems and I, together, can inform General Edgcumbe because I do not have full information on this question. All I know is that the Hungarian Government has received 17 vessels. I also understand that a number of vessels have been arrested or detained at Linz. At the moment the movement is held up through the icing conditions on the Danube, and what the future plans are I do not know. The icing conditions no longer permit further traffic on the river. I do not know myself what the future will bring. General Edgcumbe, will you perhaps clarify the question which interests you most?

*GENERAL EDGCUMBE:* I wanted to know whether the movement really had started. Since I put the question down, I have heard that the ships have arrived and am interested to hear that 17 have arrived. I had heard a rumor of some vessels being arrested, and realize the movement has now been held up and that gives me what I want. Thank you very much.

*GENERAL WEEMS:* That is the information I have, as reported by General Sviridov.

*GENERAL SVIRIDOV:* It is possible that Admiral Trainin may have some additional information. He may know more about it.

*ADMIRAL TRAININ:* In late November a Hungarian commission went to Passau to take over those ships. This commission took over from the American authorities 184 vessels, plus 20 which were taken over provisionally, but the handing over was held up pending certain decisions as to who is the owner of the cargo. The first convoy left Passau on the 7th of December - 45 vessels left then from Passau. 17 arrived in Budapest on the 15th December. According to information received from the Hungarian Minister of Communications<sup>366</sup>, 11 vessels were detained by the Austrian police on

<sup>366</sup> Ernő Gerő

the request of creditors. They wanted to detain two others but the captains bluffed them and got away. 17 ships are held up between Linz and Budapest because of ice conditions. Negotiations are now going on between the Hungarians and American authorities about those ships being detained. That is all I have to inform you.

*GENERAL EDGCUMBE:* Thank you very much.

*GENERAL SVIRIDOV:* This way you see that winter is again interfering with Hungarian plans - the Schwabs and also Hungarian shipping. The worst enemy of Hungary is the winter.

May we proceed to the next item, the question of Christmas greetings to the Hungarian people. Personally I have no objection to sending such greetings. I wish to inform General Weems and General Edgcumbe that General Dastich<sup>367</sup> and Colonel Cimič<sup>368</sup> would like to sign these greetings. They wish to join in with us in sending greetings. If neither General Edgcumbe nor General Weems have any objections then it is agreed to send these greetings.

*GENERAL EDGCUMBE:* I have no objections. I think it is an excellent thing, indicating solidarity. General Dastich and Colonel Cimič are very good friends of mine but they are only affiliated, not on the Allied Control Commission. I think it more correct to send one from the Allied Control Commission, the Soviets, the Americans and the British, and General Dastich and Colonel Cimič would send their own. They are not actually a part of the Commission; they are delegations for certain purposes. We are the Control Commission who sit here and that was the reason that it did not occur to me to include them. I mention that because General Weems has a very good sample greeting (showed sample).

*GENERAL SVIRIDOV:* What shall we say to them then. My position is not so easy. There is no place where the greetings can be signed.

*GENERAL EDGCUMBE:* Could you not tell them frankly that at our discussion it was decided to send greetings from the Allied Control Commission as such?

*GENERAL SVIRIDOV:* When is it intended to send these greetings?

*GENERAL EDGCUMBE:* If we do it for Christmas, we should do it tomorrow. An alternative suggestion would be to wait for the New Year, and then we would have time and have it with General Dastich and Colonel Cimič and we could have time to have it produced nicely.

*GENERAL SVIRIDOV:* I think that your suggestion is acceptable - wait for the New Year. I think it would be better to send New Year's greetings and all the five friends sign it and send it then, not now.

*GENERAL EDGCUMBE:* Do we have all the five languages?

*GENERAL SVIRIDOV:* Just three languages are necessary. We can send it in only one language, just in Hungarian.

*GENERAL EDGCUMBE:* In all three languages - it is more of a little souvenir.

*GENERAL SVIRIDOV:* I have no objections to the same order as the sample.

*GENERAL EDGCUMBE:* We can send the greetings on Monday, the 30th, or the 31st.

<sup>367</sup> Major General František Dastich, Chairman of the Czechoslovak Military Mission to the ACC for Hungary.

<sup>368</sup> Colonel Obrad Cimič, Chief of the Yugoslav Military Mission to the ACC for Hungary.

*GENERAL SVIRIDOV:* Then we will have five signatures.

*GENERAL EDGCUMBE:* Who will produce the document? I suggest General Weems produce it.

*GENERAL SVIRIDOV:* All right. It will express the same feelings but with fewer word.

*GENERAL EDGCUMBE:* It will go to the President and the Prime Minister<sup>369</sup>.

*GENERAL SVIRIDOV:* Exactly. I have a proposal to make. On the first of January, at 13.00 hours, to go together to visit the President, from the ACC, five persons.

*GENERAL WEEMS:* All right, to call on the President.

*GENERAL EDGCUMBE:* Fine, at 13.00 hours.

*GENERAL SVIRIDOV:* If any of the Generals care to take their Hungarian interpreter with them, I shall have my own interpreter.

*GENERAL EDGCUMBE:* How shall we do it? Go together from here?

*GENERAL SVIRIDOV:* Is it on General Weems' way to have a rendezvous here?

*GENERAL WEEMS:* It makes no difference to me. We will rendezvous here at 12.45 hours.

*GENERAL SVIRIDOV:* Rendezvous here at 12.50 hours on assumption that it will take ten minutes to get down. The idea is to give the various political representatives and ambassadors a chance to make their visits after us.

*GENERAL WEEMS:* The General will make an appointment for us to go?

*GENERAL SVIRIDOV:* Yes. If no objections, I would like to send one of the greetings to Marshal Voroshilov.

*GENERALS EDGCUMBE AND WEEMS:* Fine, and also one to General Key.

*GENERAL SVIRIDOV:* There is one more question, the matter of British-owned property. These matters are either in the hands of the Reparations Office or the Prime Minister's or the Ministry of Foreign Affairs awaiting decision. The Hungarian Government will inform me where each of the letters is to be found and what institution is responsible. Unfortunately, they keep holding up replies to these letters. As soon as I receive your letters I send them on to the Hungarian Government in the hands of a special officer. Four letters (Nos. 4072, 401/21, 401/87 and one concerning confiscation of property of a certain John Fowler) are in the hands of the Prime Minister. Further nos. 401/42, 401/31, 401/191 and 401/233 are in the Reparations Office for decision. Concerning the last letters, the Reparations Office have sent representatives into the country to investigate. Unfortunately, the Reparations Office are not in a position to give replies to date. In regard to letter no. 401/230, the horses have been returned. 401/91, that is a question concerning compensation for land expropriated and I understand will be settled by a special decree of the Hungarian Government<sup>370</sup>. No. 401/233, regarding confiscation of hay. The chief of the county announced that they have come to an arrangement about this, and that compensation for the hay has been paid. No. 401/180, that question is being settled by the Minister of the Interior; it is about the removal of furniture. My office has requested up-to-date replies. Very sorry but we have had to jog their memories. Reply given was they will endeavor to expedite matters and will reply as soon as possible.

<sup>369</sup> Zoltán Tildy and Ferenc Nagy respectively.

<sup>370</sup> As far as we know, there was no decree issued regarding compensation for expropriated land.

*GENERAL EDGCUMBE:* I thank General Sviridov. I would be very grateful if I could have a brief written reply on the decisions, and I would be quite clear; just send me a written reply to my letter.

*GENERAL SVIRIDOV:* I will do it.

*GENERAL EDGCUMBE:* Thank you.

*GENERAL SVIRIDOV:* Have you anything additional?

*GENERAL EDGCUMBE:* I would like to ask if General Sviridov has had time to look at the letter I have written about returning Hungarians from Austria, about 3,000? I suggested that a Hungarian screening party should go there and interrogate. My letter was written on the 19th of December. Possibly General Sviridov has not had time to study it.

*GENERAL SVIRIDOV:* Unfortunately, I haven't yet seen that.

We have now discussed all the questions on the agenda for today. Is there anything further?

*GENERAL EDGCUMBE:* I have one thing I would like [to discuss], the last question - it is not really a question. What I would like to say is that this is the last meeting in 1946 I am sure. We probably shall never have another ACC meeting so near to Christmas, and I want to take this opportunity to thank General Sviridov for the efficient and agreeable way in which he always manages these meeting. I have now been here for nearly two years and I want to offer my thanks. I also want to offer my thanks to his staff, to the way they have always dealt with us.

*GENERAL WEEMS:* I would also like to add the same from the staff of the American Representation.

*GENERAL EDGCUMBE:* I take this opportunity now for Admiral Trainin and General Levushkin and I want to thank them personally. A word of special thanks to General Levushkin who has had all the worries to deal with since I first arrived, nearly two years ago. I also want to thank Colonel Cherkasov for spending so much time in translating all that I have to say.

*GENERAL SVIRIDOV:* May I say my part? I am very thankful to General Edgcumbe and General Weems for the high value they place on our work and we shall try afresh in 1947 to work still better. I am very grateful for the attention and good attitude that General Weems and General Edgcumbe and their staffs always show at the various meetings. Furthermore, I must thank General Edgcumbe and General Weems personally and separately for the letter on the occasion of the birthday of Generalissimo Stalin. Very many Russian thanks. May we finish?

711.9 Allied Control Commission, Record Group 84, Budapest Legation File; NA, Washington D.C.

## 41.

Conference of 17 January 1947

Minutes of a formal meeting of the ACC where miscellaneous issues such as displaced persons, political internees, Article 13 of the Armistice Agreement, etc, were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

### NOTES

A meeting of the Allied Control Commission for Hungary was held at 14.15 hours on 17 January 1947 in the conference room of the Soviet Headquarters in Bajza utca, near Andrassy út, Budapest, Hungary.

The meeting was called to order by the Acting Chairman, Lieutenant General V. P. Sviridov, who presided in the absence of Marshal Voroshilov.

Present were: *The United States Representation*: Brigadier General George H. Weems, Colonel John H. Stokes, Jr., Lieutenant Colonel William M. Slayden, Captain Leonid Gran.

*The British Representation*: Major General O. P. Edgecombe, CBE, MC, Air Commodore J. H. Simpson, RAF, Lieutenant Colonel H. P. Whitefoord<sup>371</sup>, Lieutenant Colonel P. C. Capron.

*The Soviet Representation*: Lieutenant General V. P. Sviridov, Lieutenant Colonel M. I. Cherkasov.

The discussion was substantially as follows, subject to any discrepancies in the translation from Russian.

Note: No agenda was prepared by the Acting Chairman, but the following proposed agendas were submitted by the British Representation and the United States Representation:

#### *British Representation*

##### 1. *Displaced Persons and Prisoners of War from Austria.*

It is desired to discuss the question of repatriation of Hungarian gendarmerie from Austria with reference to my letter BMH/7/Mil of the 19th December.

##### 2. *Displaced Persons and Prisoners of War from Germany.*

It is notified for information of the meeting that regular movement in repatriating Hungarians from the British Zone in Germany is reported to be completed.

##### 3. *Article 13 and the Question of Allocation of Crude Oil to the Anglo-Saxon Petroleum Company.*

In my letter BMH/401/Econ-Fin of the 4th January 1947 I drew attention to the fact that the above Company is only receiving 18.4% of the total crude oil available in Hungary at the present time, whereas prior to the War, the percentage was 32.82%.

<sup>371</sup> Lieutenant Colonel H. P. Whitefoord, Head Secretariat of the British Military Representation on the Allied Control Commission for Hungary.

It is considered that this shows discrimination by the Hungarian Government against British interests and it is desired to know what action they propose to take to put this matter right.

##### 4. *Certain action said to have been taken in the name of the ACC.*

According to a letter received from Cardinal Mindszenty the Hungarian police carried out a search for books in the Palace of the Prince Primate on the special orders of the ACC. Information is requested regarding this. Letter BMH/936/Sect of the 8th January refers.

##### 5. *Political Internees.*

According to Press reports, the number of political internees in Hungary in December 1946 was 2991. It is desired to know whether this report is accurate.

##### 6. *Alleged Plot against the Hungarian Republic.*

Hungarian Press contain many reports regarding a plot said to have been discovered and it is desired to know whether any accurate information on this subject is available.

##### 7. *The UNO Sub-Committee on Devastated Areas.*

Referring to the Deputy Chairman's letter No. 2693 of the 21st November and my reply BMH/480/Econ-Fin of the 26th November, it is desired to know what progress is being made by the Hungarian Government in preparing their report on the Economic re-construction of Hungary as requested for the UNO Sub-Committee.

#### *United States Representation*

##### 1. *American Interests in the Urikany-Zsilthaler Ungarische Kohlenbergwerke A. G. of Budapest.*

Letter of 30 December 1946 sets forth the interests of the Guaranty Trust Company of New York and the Manufacturers Trust Company of New York, amounting to \$108,000.00. It is desired to know what steps the Hungarian Government has arranged to safeguard these American interests.

##### 2. *Automobile belonging to the Vacuum Oil Company.*

It is desired to ascertain what action has been taken in restoring the automobile mentioned in letter of 4 January 1947.

##### 3. *Paragraph 6 of the Statutes of the Allied Control Commission.*

It is desired to discuss paragraph 6 of the Statutes of the Allied Control Commission, particularly sub-paragraph d thereof, and to recommend a change in present procedure.

##### 4. *Actions of the Hungarian Border Police in Rescreening Hungarian Repatriates.*

It is desired to know what action the Hungarian Government proposes in connection with the recommendation made in letter of 4 January 1947 on this subject.

##### 5. *Clearance for Military Personnel for Duty with the United States Representation.*

It is desired to discuss this matter in the light of my letter of 6 January 1947 to the Acting Chairman in the case of Major Leonard B. Scott.

##### 6. *Clearance for Military Aircraft.*

There seems to be some confusion in the matter of getting special flights cleared for entry to Hungary. As an example, on 30 December 1946 we gave the names of eleven passengers and five crew on plane No. 1779, type C-47B, to enter Hungary on 7 January 1947. Clearance for the individuals listed was granted on 4 January 1947.

but not until 15.30 hours on 6 January 1947 were we able to obtain clearance for entry of the plane. It is desired to simplify the procedure in this matter so that the parties on the incoming plane can be notified in due time.

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*GENERAL SVIRIDOV*: If the Hungarian Government hasn't realized and taken into their heads to invite you, I extend an invitation to you this evening to see the troupe of artists which are under the management of a man named Alexandrov, at seven o'clock in the Opera. I suppose both Generals have their own boxes. I would be very pleased to see you both there. You will do me honor by being present to see this famous troupe. They demonstrate Red Army songs and dances and are under the direction of a famous professor. I think we can finish this meeting in two hours so that we have time to go to the theater.

The first item is one raised by Major General Edgcumbe on the matter of the former Hungarian gendarmerie who are now in the British Zone of Austria. In this connection, I wrote General Edgcumbe a letter. Unfortunately, I am unable to add anything further to what I have already written in my letter. Perhaps General Edgcumbe will be able to add something to what has already been said to clarify the matter.

*GENERAL EDGCUMBE*: Well, General, I have received your letter of the 8th of January and I am studying it still. I am going to inform my Government and I should prefer now not to discuss this matter further. I am perfectly clear as to the views expressed by the Hungarian Government and by General Sviridov. But there is one point I would like to make. I think in my original letter of the 19th of December which was rather long and involved, there is a slight misunderstanding. We suggested that a Hungarian party should go to Austria and do what we call screen the Hungarian gendarmerie who are there. As we understand screening, it means that they go into the past of these gendarmerie and they sort of examine them with all the papers they have at their disposal, and we consider that is necessary in accordance with the terms of the Armistice and the spirit of Article XIV. But I had to add in my letter that this party would confine their activities to dealing with the gendarmerie, and would not extend their work towards tracing war criminals, and that was intended to mean that we could not allow the Hungarian party who went there to go travelling all over Austria looking for other war criminals. It was not to mean they would not investigate and look into the past of the actual gendarmerie. Reading the letter from General Sviridov and the Hungarian Government, I think there has been some misunderstanding and they took my letter to mean that they would not investigate into any activities of the gendarmerie. We meant to confine the investigation to these people who are all in a certain camp, not to go looking for people all over Austria. We understand the difficulties of the whole situation and I am now going to report to my Government and I will either reply to the letter or talk to General Sviridov again about it.

*GENERAL SVIRIDOV*: Then your opinion is that there is no use in discussing this question at this meeting?

*GENERAL EDGCUMBE*: I think not because of the difficulties we see here. I must tell my Government and see exactly what their views are, whether they are prepared to make new proposals or what they wish. I have not received instructions so I would rather wait.

*GENERAL SVIRIDOV*: The second item is one by Major General Edgcumbe in regard to information to the effect that the repatriation of Hungarians from the British Zone of Austria is complete.

*GENERAL EDGCUMBE*: That really was, for the general information of the meeting here. I have been informed from Germany to that effect, to just let you know.

*GENERAL SVIRIDOV*: It is very good that winter has not interfered with the movement.

We will proceed to the next item. This question is one raised by General Edgcumbe to the effect that the Shell Company has been getting too little oil for processing. In regard to this question, I have certain items of information and the first one is that I am able to inform you that there were in 1946 altogether 588,000 tons of crude oil received and distributed among the various Hungarian firms. This total of 588,000 tons was distributed as follows: Shell received 52.7 per cent of the capacity of their refinery; in other words, if you take it that the capacity of the refinery is 100 per cent they were given enough oil to engage in 52 per cent of their maximum. In other words, they are 48 per cent down on what they are capable of handling. The Vacuum Oil Company received 49.5 per cent of their capacity; in other words, they were 50 per cent under their capacity. The Hungarian company "MOLAJ" received 53 per cent of their capacity, that is to say, 47 per cent under their capacity. The last one is the Hungarian firm of Pétfürdő who received 64 per cent of their capacity; that is to say, they received more than any other; this is 36 per cent under capacity. Then there are a number of smaller Hungarian concerns which received up to 46 per cent of their capacity.

I am able to tell you in thousands of tons the quantities received by each concern. Shell received 114,000 tons of crude oil for refining. I consider that not one of these concerns has received discriminating treatment. In any case it is up to about 50 per cent of the capacity of each. They are all in the same boat, as not one of them was engaged more than about 50 per cent of their capacity, except the firm of Pétfürdő which received 64 per cent. I do not know what type of information General Edgcumbe has at his disposal, but they say they received only 18.4 per cent whereas my calculation is 588,000 tons, and it appears that Shell received 48.7 per cent. That way if you take the four bigger companies it would appear they received 25 per cent of their pre-war amount. Of the 588,000 tons total Shell received 114,000 so it is roughly 19 per cent. The smaller Hungarian concerns received 77,000 tons. Pétfürdő received 116,000 tons. Vacuum Oil received 107,000 tons and Shell 114,000, as already stated, and the firm MOLAJ received more because its capacity is one and one-half times greater than any of the other refineries. Shell can handle 216,000 tons and MOLAJ can, working at full steam, handle 324,000 tons a year. The Vacuum Oil Company can also handle 216,000 tons a year. This Hungarian, Mr. Gombosi<sup>372</sup>, Director of Oil Comptroller, Ministry of Industry, has proved that the oil available has been distributed equally among the various interested parties. Examining the figures produced, it would appear that there is no great difference between Shell, Vacuum Oil and Pétfürdő. Pétfürdő received more oil than any other company and that is explained by the fact that its

<sup>372</sup> Zoltán Gombosi, from 1945 in his capacity as under-secretary he oversaw crude oil production. In 1950 he was arrested on false charges.

capacity is far greater than the others. I was interested in the reasons as to why the various refineries are only engaged to about 50 per cent of their total capacity. The reason is quite simple. I have ascertained that in 1946 the firm MAORT pumped out on an average of 1,700 tons daily. Against that in 1943 the daily output on an average was 2,290 tons. That is to say, in 1946 the output by MAORT was about an average of 500 tons a day less than in 1943. I am informed that the MAORT, as in the past, has a tendency to reduce the output and that in all probability the capacity of the refineries in 1947 will be even less than they were in 1946. Therefore, the refineries will receive still less to process. That is the position as of today. Possibly MAORT have other figures at their disposal, but these figures I have given you now are the ones given me by the Hungarian Government. Are there any remarks on this subject?

*GENERAL EDGCUMBE:* I should like to thank General Sviridov for giving this information and I will now examine the position from the point of Shell in the light of what General Sviridov has told us. If there is any further need to raise any points I will write to the General again, but I do not think there is any point in discussing it further here. I am grateful for having this information.

*GENERAL SVIRIDOV:* If you would study the figures and there is any need to raise the question again, I would be very grateful.

The next matter concerns a letter received by General Edgcumbe from Cardinal Mindszenty. Apparently he is angry with me because he does not write to me although I have never done him any harm. I have never said a word to him nor have I written to him, nor has he said a word to me or written to me, therefore, there should be the best mutual relations between us. I am very grateful to you for sending me a copy of that letter. In connection with that letter I must inform you as follows: No instructions were ever given by the ACC for the search for literature or information of fascist character; no orders were given by the ACC. There was a letter written by me to the Hungarian Government inquiring as to the date when the Hungarian police will complete their search for this type of literature. Instructions as to the withdrawal or the confiscation of fascist literature are always given by the local authorities or the governors of districts. In the present matter, no instructions were given by the ACC about the withdrawal of literature from Cardinal Mindszenty. The representative of the ACC in Esztergom knew nothing at all about the activities or the action of the Hungarian police in their search for literature in possession of Cardinal Mindszenty. The Hungarian Minister of the Interior<sup>373</sup> issued orders for the immediate arrest of the Hungarian officer responsible for the taking over of that literature from Cardinal Mindszenty. The actual search was done on the initiative of Lieutenant Kovach, on his own personal initiative. All those who took part in the search, including Kovach, have been arrested. Commenting on Cardinal Mindszenty's letter to General Edgcumbe, one may say that he has not informed you correctly. In the first place, he said that the search took place on direct orders from General Sviridov of the ACC and he never found an order was given by me, that such an order on my part does not exist and was never given. Though I spoke personally on the matter, it was the Foreign Minister<sup>374</sup> who gave me this information. Mindszenty received several requests from

<sup>373</sup> László Rajk

<sup>374</sup> János Gyöngyösi

the Minister of Education<sup>375</sup> requesting Mindszenty to give up literature of a fascist character; give it up voluntarily. Mindszenty refused categorically to surrender such literature and that was the end of it. Further than that the Prime Minister<sup>376</sup> knows nothing and Mindszenty refused the request of the Hungarian Government. In all probability the end was that the Esztergom police took the matter in their own hands and made the search and they removed, as far as I know, 126 books. The police were not given a chance to complete their work and they were arrested. I am informed that Cardinal Mindszenty has in his library not less than 3,000 volumes of fascist literature. That is the position as it stands today. If General Edgcumbe and General Weems wish, then we can make an advance upon Cardinal Mindszenty and withdraw the 3,000 he still has. The only thing is the Pope might interfere. Or authorize the Hungarian Government to finish the matter as they think fit. He does not carry out the Hungarian laws and regulations.

*GENERAL EDGCUMBE:* Thank you for all that information, General. My own view is that we should not get involved in this at all, and then we will not get involved with cardinals and popes. One thing I would like to make clear, I hold no brief for Cardinal Mindszenty, have never written or spoken to him except to acknowledge a letter. The General said the Cardinal had said the action was by direction of the ACC. He didn't actually say that. What he said was that the Superintendent of the Police, the Hungarian police, said it was by the orders of the ACC.

*GENERAL SVIRIDOV:* In any case, whatever he declared, he has been arrested. He had no right to make a statement like that.

*GENERAL EDGCUMBE:* In my view everything necessary seems to have been done.

*GENERAL SVIRIDOV:* Does General Weems have any objections?

*GENERAL WEEMS:* No.

*GENERAL EDGCUMBE:* I would like to make clear to the General that when the Cardinal sends me a letter I merely say, "I have received your letter." I do not communicate any more to him at all, so that is all finished.

*GENERAL SVIRIDOV:* I am very sorry that I received no communication. I am really upset about this.

General Edgcumbe is inquiring as to the number of political internees in Hungary in December 1946. He quotes the figure 2,991 persons. I have inquired and I find that that figure is correct.

*GENERAL EDGCUMBE:* Thank you very much. I am glad to know that the papers are accurate for once.

*GENERAL SVIRIDOV:* In other words, that also shows that in Hungary approximately 10,000 persons were released from camps.

*GENERAL EDGCUMBE:* When? During last year, the end of last year?

*GENERAL SVIRIDOV:* It was done in summer when the personnel of the camps were checked and people were being released from the camps.

<sup>375</sup> Keresztúry Dezső (1904-1996), writer, poet, art historian and Minister of Education between 1945 and 1947.

<sup>376</sup> Ferenc Nagy

Will you allow me to pass to the next question? The next question deals with a plot which was uncovered here in Hungary<sup>377</sup>. Concerning this issue, I have a memorandum 19 pages long<sup>378</sup>. Of course to read this entire memorandum I have neither the time nor the will. Above all, I haven't got the time to do that. However, everything that is contained therein, in the memorandum, may also be found or was published in the Hungarian press, absolutely all of it<sup>379</sup>. Whatever is published on the issue in the Hungarian press actually corresponds with the way matters stand. The information in the press corresponds to the information given out by various Hungarian government officials, by police officials, etc. Perhaps General Edgcumbe has certain questions to raise in connection with that plot. If so, I shall be happy to answer General Edgcumbe, basing my answer on the information contained in that memorandum. Probably General Edgcumbe, General Weems and myself, all of us, receive our information from and are informed by the Hungarian press. However, I did check and I found that the information contained in the press corresponds with the information obtained by police sources, by the investigators. If there are any questions, I hope they will be raised now.

*GENERAL EDGCUMBE*: I wonder whether the General would like to send us the memorandum, to give my liaison officer practice in translating.

*GENERAL SVIRIDOV*: It is actually not a memorandum but a compilation of excerpts. I can send this material over, but quite honestly I would like to point out that the information contained in this document may be found in toto in the Hungarian press. Then perhaps General Edgcumbe would be quite put out about it because he would say I am only sending what has already appeared in the Hungarian press.

*GENERAL WEEMS*: I have nothing at this time.

*GENERAL SVIRIDOV*: Has General Edgcumbe any questions?

*GENERAL EDGCUMBE*: I, of course, have read about it in all the papers. I wonder if General Sviridov has the number of people who have been arrested and the names of the most important people who have been arrested.

*GENERAL SVIRIDOV*: The figure mentioned here is about 100 persons have been arrested in connection with this plot. That is the figure in the memorandum. Unfortunately, I do not have a full list of those arrested, but the memorandum does contain the names of the most notable of the chief plotters. However, it does not include all the names of all the prime instigators of this affair. With your permission then, I shall compile a list later on and will transmit it to General Edgcumbe.

<sup>377</sup> In August 1946 the Military Police and later the Political Police began to uncover an alleged anti-republican and anti-government conspiracy and arrested the "plotters". This conspiracy of small significance called Hungarian Community provided excellent possibility for the Communists controlled Political Police to break up the Smallholders' Party and to strengthen Communist positions before the Peace Treaty came into effect. In December 1946 and January 1947 more than 100 persons were arrested, including 6 Smallholder deputies and the Minister of Reconstruction, Endre Mistéth, engaged or allegedly engaged in the conspiracy. Béla Kovács, the Secretary General of the Smallholders' Party, whose legislative immunity had not been suspended by the National Assembly, in spite of demands from the Left, was arrested by the Soviet authorities in February, 1947. See: Nagy Ferenc, *ibid.*, pp. 311-343. For the U.S. point of view in connection with this case see also FRUS, 1947, vol. IV, pp. 260-263. See also, István Csicsery-Rónay, Géza Csernyey, *Koncepciók per a Független Kisgazdapárt szétzúzására*, Budapest, 1998.

<sup>378</sup> This document is not known to the author.

<sup>379</sup> Communiqués of the Ministry of the Interior on the conspiracy were published in the Communist paper Szabad Nép on 5 and 12 January 1947.

*GENERAL EDGCUMBE*: Thank you.

*GENERAL SVIRIDOV*: There are certain names mentioned, such as Colonel General Dálnoki Veres Lajos<sup>380</sup>. He is not arrested. He has escaped and is somewhere in hiding.

*GENERAL EDGCUMBE*: That is what the papers say.

*GENERAL SVIRIDOV*: Then there is another retired general, General Andrassy Sándor; Szent- Miklóssy István<sup>381</sup>, General Staff, also retired; Lieutenant Colonel Berkó István<sup>382</sup>, retired, General Staff; Colonel Sovári Tihamér<sup>383</sup>, General Staff; Colonel Fülöp József<sup>384</sup>; Parliament Deputy Saláta Kálmán<sup>385</sup>. These are the most known or active persons in the plot. According to the information which I received yesterday, the Minister of Reconstruction, Mistéth, was also a party to this plot.

*GENERAL EDGCUMBE*: I do not think we really need a list. I think this is quite adequate.

*GENERAL WEEMS*: Possibly the Acting Chairman has information that has not appeared in the press that he could pass to the other Representations.

*GENERAL SVIRIDOV*: Well, since I do not know whether the press has anything about Mistéth or not, that is the latest thing I have received.

*GENERAL EDGCUMBE*: That was in the papers today.

*GENERAL SVIRIDOV*: I must say that the investigating personnel of the Hungarian Government informs the Hungarian press quite correctly and quite accurately, especially the information issued by the Minister of the Interior, Mr. Rajk, who gives the press everything he has in full. I also know that very important conversations concerning this affair are carried out in Hungarian governmental organs with and in and around the President. However, I do not know what the results of these talks or conversations are.

*GENERAL EDGCUMBE*: I should be interested to know has the General by any chance spoken to the Prime Minister on the subject, asked him his views as to how widespread and how serious the matter is.

*GENERAL SVIRIDOV*: Yes, I talked with the Prime Minister about it. The Prime Minister was quite incensed by the fact that there was an underground organization or movement in Hungary which aimed to overthrow the Hungarian Government. Now as to how widespread this movement was, the Prime Minister as of today had no knowledge or information on that score. He was very much incensed about it, as well as other Hungarian democrats, and their common aim, that of the Hungarian Government officials, is to investigate this question very thoroughly and to punish them

<sup>380</sup> Colonel General Dálnoki Veres, Lajos (1889-1976), Commander of the Second Hungarian Army in 1944, designate successor of Governor Horthy. He was sentenced to death in the so called Hungarian Community conspiracy in 1947, reprieved and sentenced to life imprisonment, after the 1956 Revolution he emigrated to the Great Britain.

<sup>381</sup> Szent-Miklóssy István (1909-1993), General Staff Major, arrested in 1946 by the Political Police and sentenced to life imprisonment. He was released in 1956, emigrated to the USA.

<sup>382</sup> Berkó, István (1904-1982), Lieutenant Colonel, in 1947 he was sentenced to 8 years forced labor.

<sup>383</sup> Sovári, Tihamér (1906-?), Colonel, he was sentenced to five years in prison.

<sup>384</sup> Fülöp, József (1907-?), army officer. He was sentenced to three years imprisonment but he was released in 1953.

<sup>385</sup> Saláta, Kálmán (1917-1958), Smallholder politician, member of the Hungarian Community from 1944, Member of Parliament from 1945, fled the country in 1947.

according to law. But it becomes clear now that basically the people involved in this plot were former military people, that is, military in reserve, and these were the ones who joined this organization. The head of this plot, the chief originator, Dálnoki, has disappeared. No one knows where he is and no one has been able to apprehend him up to date. He is a general, either reserve or retired.

*GENERAL EDGCUMBE:* Thank you very much, General. I do not think we will gain any more by discussing it. I was anxious to know whether you had any special information and whether you had anything beyond what we know from the press.

*GENERAL SVIRIDOV:* Quite frankly, what I know is from the press and whenever I get some new information it appears almost immediately in the press. One of the frankest is a certain "Szabad Nép" which does not conceal anything at all. They do not even think whether it is good or bad to furnish this information but they give it all. I will ask your permission to go over to the next question.

The next question is by General Edgcumbe concerning the information on economic and financial questions which the Hungarian Government is to transmit to UNO. At first this information was being written up in the Ministry for Foreign Affairs. When I received the agenda I immediately sent one of my officers to the Ministry for Foreign Affairs to find out whether this report on economic and financial questions has been written. I was told that the Ministry for Foreign Affairs wrote up as complete a report as it could, but since the Finance Minister<sup>386</sup> and the National Bank apparently had other information the whole bulk of the information was then transferred from the Minister for Foreign Affairs to the Finance Ministry. Today the Minister of Finance and National Bank officials are working over the report which has been written in the Ministry for Foreign Affairs. I inquired what caused this, what necessitated this working over of the report, and I was told that in connection with the making or writing up of the annual budget and in connection with the creation of a new economic policy for the Hungarian State a great deal of new data has come up and this new data has to be incorporated in the report, and that is why it has to be worked over. When I asked when this report would be ready the answer I received was that in two weeks this report will be completed. Of course it is not my fault or the fault of the ACC that the writing of this report has dragged on for such a long time. The fault lies with the Hungarian Government because it was kicked around from one office to the other, written up here, written up there, corrected here, corrected there, and the constant answer to the queries was that there is a great deal of data to be worked over. All the information I received now points to the fact that the whole thing is in the Ministry of Finance and Rácz Jenő is the person now responsible for this whole report. That is the information concerning this particular question.

*GENERAL EDGCUMBE:* Thank you. Then we may expect it in two weeks which is anyhow satisfactory if we get it. I do remember when we came to Budapest in April 1945 if I asked any Hungarian how long it would take to do something it was always two weeks. Maybe this will really be two weeks. Thank you very much, General. May I ask when the report is finished how does the General propose to deal with it. Will he send copies to General Weems and myself and will he forward a copy through the Soviet representative or through his Government to UNO? How is it to reach UNO?

<sup>386</sup> Rácz, Jenő (1907-1981) Minister of Finance from August 1946 to March 1947.

*GENERAL SVIRIDOV:* What I will do is to transfer to General Edgcumbe the Hungarian document, the original copy, in conformance with his request.

*GENERAL EDGCUMBE:* Thank you very much.

*GENERAL SVIRIDOV:* As long as this question was tabled by General Edgcumbe I transferred this information to the Hungarian Government and, therefore, the document will proceed in reverse order to General Edgcumbe.

*GENERAL EDGCUMBE:* Thank you very much.

*GENERAL WEEMS:* I should be pleased to have a copy of the report the Hungarian Government prepares.

*GENERAL SVIRIDOV:* May I go over to the questions submitted by General Weems? The first question concerns the firm by the name of Urikany-Zsilthaler Ungarische Kohlenbergwerke A. G. of Hungary. It is a coal concern located in the city of Petrosani in Hungary<sup>387</sup>. I asked the Hungarian Government, in accordance with the question raised by General Weems, how the Hungarian Government will protect American interests in that company. According to the letter of General Weems, the American interests in that firm total \$108,000.00. I received an answer from Balogh István<sup>388</sup>, the Prime Minister's State Secretary, and the answer is addressed to me. The letter says, "Referring to your letter No. 2745, I have the honor to inform you that the Hungarian Government up to now has not taken any action to defend or to protect the interests of British creditors in the shares concerned, Urikany-Zsilthaler, because there has been no necessity to do so. In case the shares of the above mentioned creditors will be transferred then the Hungarian Government will most carefully defend the interests of all former creditors. I beg you, Sir, to accept my assurances in highest esteem. Etc., etc."

*GENERAL WEEMS:* Would the Chairman furnish me a copy of that for my records?

*GENERAL SVIRIDOV:* Yes.

*GENERAL EDGCUMBE:* This referred to British creditors. We have 122,000 pounds interest in it. May I have a copy of that?

*GENERAL SVIRIDOV:* Yes.

May I go over to your next point General Weems? This concerns an automobile of the Vacuum Oil Company. I looked into the matter and determined the fact that the car was actually bought. However, the Vacuum Oil plant proved that the car was bought by the plant. On the other hand, both Lieutenant Kristjukhin and Captain Serebriakoff also proved that they bought the same car. Now the confusing thing in the matter is that there are two bills of sale. There is a bill of sale in the hands of the Vacuum Oil Company and there is also a bill of sale in Hungarian in the hands of Lieutenant Kristjukhin and Captain Serebriakoff. Both parties have a bill of sale, two documents, two bills of sale. In both cases the documents have been signed by both parties. In other words, by the persons to whom sold and by the persons who bought. However, to bring the matter short, since Vacuum Oil paid for the car repairs

<sup>387</sup> Petrosani and Uricani are located in the Southern Carpathians, in Transylvania. After the Paris Peace Treaties of 1920 Transylvania became part of the Romanian Kingdom.

<sup>388</sup> Balogh, István (1894-1976), Catholic priest, politician, under-secretary of state at the Prime Minister's Office between 1944 and 1947.



I ordered that the car be returned to Vacuum Oil because probably the repair bill will amount to much more than the original or total cost of the car. There is no question about it, the car will be returned to Vacuum Oil.

*GENERAL WEEMS:* Will be or has been?

*GENERAL SVIRIDOV:* Will be

*GENERAL WEEMS:* Thank you very much.

*GENERAL SVIRIDOV:* May I have your permission to continue? The question of General Weems concerning Paragraph 6 of the ACC Statutes. This concerns the travel or trips by officers of the ACC in Hungary. Concerning this question, as of today I received the following answer from the Occupational Forces Command, which stated that officers of all Powers represented on the ACC are permitted to enter all cities in Hungary, including Sopron, Szombathely, Nagykanizsa and Zalaegerszeg because winter maneuvers with the use of live ammunition in the region of these four cities have been completed. There is only one request concerning these four cities, and Veszprém. When officers of Powers represented on the ACC, or other representatives of these Powers, travel about and visit these cities they are requested to report to the City Commander.

*GENERAL WEEMS:* If they are passing through?

*GENERAL SVIRIDOV:* No, only if they go to these places. Anyone proceeding to any one of these four cities is requested to report to the City Commander, then this officer will detail either a soldier or an officer who will accompany General Weems' and General Edgumbe's officers or representatives to any point in the district around that city. In that case all misunderstandings or unpleasantness will be excluded. Veszprém and these four cities.

*GENERAL WEEMS:* I have one point to make clear. That applies to my officers and my soldiers? Everybody in my command?

*GENERAL SVIRIDOV:* Yes.

*GENERAL WEEMS:* One more point that I would like to mention in connection with the Statutes of the Allied Control Commission. Is it necessary to continue to procure road passes to make trips to Debrecen or Pécs or any place we want to go to?

*GENERAL SVIRIDOV:* With your permission then, I shall contact the Commander of the Occupational Forces on that score get an answer from them and then I shall transmit this information to you.

*GENERAL WEEMS:* I wish particularly to emphasize the very clear statement in Paragraph 6 of the Allied Control Commission Statutes, which states that British and American representatives are authorized free movement anywhere in the country. They should, however, inform the ACC in advance of the time and route of the journey. The matter of having to send my officer over here to get a road pass when I want to go some place in Hungary takes up time of members of my staff and takes up time of members of Chairman's staff. We will soon pass out of existence as the ACC and we should now be able to go out into the country and enjoy ourselves.

*GENERAL SVIRIDOV:* It is our common aim and wish that American officers should travel throughout Hungary with a minimum of delay, misunderstandings and unpleasantness, and it is in your interest as well as it is in mine, and it seems to me that if they would have such a paper that would obviate a lot of misunderstandings and a lot of questioning by various control points. It also seems to me that since we

did introduce this system of trip tickets the number of incidents and misunderstandings has considerably diminished. I do not really see wherein lies the inconvenience of having these permits. As far as I can see, the situation has improved with the introduction of these permits. So far I have received no letters, no complaints, and I am very happy about it.

*GENERAL WEEMS:* I wish to make a point that I am now registering the complaint, renewing the one General Key registered very vigorously when the system was instituted. If I wanted to go to Pécs this morning I would have to send my officer to come here and get a trip ticket. We could have a blanket form, identifying any member of the ACC, and this should be sufficient identification at any road block or control point the Russians have.

*GENERAL SVIRIDOV:* This way of doing things with a trip ticket, a permit, has been instituted by the Commander of the Occupational Forces, according to their wishes. However, I shall transmit to them the point of time and the desire of General Weems and I on my side will support it. As soon as I will get an answer from them I will let you know.

*GENERAL WEEMS:* Thank you very much, Mr. Chairman. I wish to recommend in that connection that a permanent pass be issued on one piece of paper which identifies the individual and he can carry that with him wherever he goes. It would save a great deal of time on the part of my staff and I am sure a great deal of time on your staff. If I want to go to Pécs in the morning and decide it in the morning. I have to postpone it until my officer can come here to get a pass. With a pass of this sort I wouldn't have to bother you or your staff for a permit.

*GENERAL SVIRIDOV:* It is not really a permit; it is just a document that will protect you from all sorts of misunderstandings and unpleasantness. I would like to suggest to the General that since the other one does the work, this will too.

*GENERAL WEEMS:* It is particularly the time element involved in procuring the pass.

*GENERAL SVIRIDOV:* Well, I suppose then that your officers will be detained with the new pass. It must be agreed to by the Commander of the Occupational Forces, and I will try to impress the Commander of the Occupational Forces of this.

*GENERAL EDGUMBE:* I support General Weems. I am all in favor of a permanent pass and it seems to me that a suitably worded permanent document signed by General Levushkin ought to prevent any incidents. That still leaves the paragraph in the Statutes where it says that we inform you of the journeys and that is an easy matter so if anyone is lost then we all know where to look for the individual, but it would save a lot of time and trouble and a lot of trouble of writing and signing the passes. All it need to say is "General Edgumbe has permission to move anywhere throughout Hungary and should not be prevented, in fact given every assistance" and signed by General Levushkin.

*GENERAL WEEMS:* I would like to urge that the Chairman in making his presentation of the case to the Occupational Forces point out the provision of the Statutes of the Allied Control Commission and point out the fact that the present procedure is definitely a contravention of the provisions of the Statutes.

*GENERAL SVIRIDOV:* I repeat that I shall raise this question with the Commander of the Occupational Forces and I hope to obtain an answer within the next

few days. Personally, I would like to mention that I support the wishes of General Edgumbe and General Weems in this matter:

*GENERAL WEEMS:* I thank you.

*GENERAL EDGCUMBE:* Good.

*GENERAL SVIRIDOV:* The next question submitted by General Weems deals with the interference of Hungarian police in the checking of trains. I discussed this question with representatives of the Hungarian Government. Among them was Mr. Millok, who is in charge of repatriation, and with Mr. Rajk<sup>389</sup>. These gentlemen said they would alleviate the matter and that they would enlarge the screening commission to speed up the work and also to avoid mistakes in the future, mistakes which have been committed heretofore, that is loading Schwabians with the Hungarians. They also said they would do everything possible to avoid mistakes in screening in the future.

*GENERAL WEEMS:* Has the Hungarian Government indicated what action the border police would take when the trains come in?

*GENERAL SVIRIDOV:* Concerning the second question, there has been some conversation about that too. First of all the Hungarian authorities have been directed by the Occupational Forces Command to screen the incoming trains and the Hungarian Government deems that it has the right to check people who come in to Hungary, to find out whether they come legally or illegally. In other words, this checking is done because the Hungarian Government requests it and also because the Commander of the Occupational Forces requests it too. This checking is not a universal procedure but will be done in certain cases because in certain circumstances the Powers concerned would like to know who is coming in. The Hungarian authorities add that it is extremely difficult to check the personnel or to perform this screening in carriages or in railway cars, and they say the basic screening is being done in camps.

*GENERAL WEEMS:* The point I make is that we do not desire Hungarian border police to board trains bringing back repatriated Hungarians until the train has arrived at its destination. They can do whatever screening they wish at that point and not at the border otherwise you may have the condition where they will take people off the trains and send them to Austria and we will have to return them to the U. S. Zone in Germany. In other words, let the train go to its destination and let them do all the screening they wish.

*GENERAL SVIRIDOV:* Strictly speaking, that is exactly what is being done because there is absolutely no possibility to carry out a thorough and effective screening in the train itself. They can only make a numerical check. Then it may appear that a certain carriage may contain only 25 persons and actually it may contain 30. Actually the documentary screening is being carried out at the arrival point. There is no question about it.

*GENERAL WEEMS:* At the destination?

*GENERAL SVIRIDOV:* The point of destination.

*GENERAL WEEMS:* Why is it necessary then for the Hungarian border police to detain the trains at the border?

*GENERAL SVIRIDOV:* According to the Hungarian law the Hungarian police must check or screen all persons arriving in Hungary, and therefore the Hungarians cannot understand why this right or this duty should be taken away from the Hungarian police.

*GENERAL WEEMS:* I can explain that, I think very quickly, because they have been permitted to enter trains and eject people from those trains at the border. There were accumulated in the Soviet Zone in Austria something like 800 Schwabians and Romanians, and the Soviet authorities, through your staff, complained to me that these returning Schwabians had been ejected, dropped on the road, and ended up in the Soviet Zone. The reason that the Hungarians should not be permitted to have their border police board the trains is to have them not eject these people, but to let them go to the destination and then do what they want. The U. S. authorities have said they will not accept back into their Zone in Germany any more of that type of person.

*GENERAL SVIRIDOV:* Our Occupational Forces think that the Hungarian authorities, the Hungarian police, have the right to screen or to conduct this check in both places and it seems to me that we have no business, no right to take away this authority from the Hungarian police. For example, take the British trains, and General Edgumbe perhaps will second what I say, that there were 19,000 persons involved and there were no difficulties whatsoever with these 19,000, none whatsoever. This question was, as a matter of fact, not raised at all. No one raised the question or raised the request rather that the Hungarian police lose its right to check trains at the border.

*GENERAL WEEMS:* I see no purpose for a check at the border. They have checked at the initial point before loading, thoroughly screened by an authorized commission from the Hungarian Government. Why stop them at the border? If the destination is Komárom, let the train proceed.

*GENERAL EDGCUMBE:* Is this not the answer, if this right exists of checking them at the border, surely the rule should be no one should be taken off until the trains reach their destination?

*GENERAL WEEMS:* There is no objection to boarding the train at the border, but no one should be taken off.

*GENERAL EDGCUMBE:* I think if that order was given the question would be solved.

*GENERAL WEEMS:* That no one be taken off the train at the border and the train should not be unduly delayed at the border.

*GENERAL SVIRIDOV:* That is acceptable. I accept the following: The Hungarian police retains its right to make a check of the train without unduly detaining it, but without having the right to unload anyone off the train at the border.

*GENERAL WEEMS:* Thank you.

*GENERAL SVIRIDOV:* I shall try to transmit such instructions to the Hungarian police.

*GENERAL WEEMS:* All right.

*GENERAL SVIRIDOV:* The next question by General Weems concerns Major Leonard Scott. This question has been settled. But I could not understand what United States military units Major Scott wanted to inspect on Hungarian territory. However, now it is clear to me that he is coming in to inspect aviation units and that settles the question.

<sup>389</sup> László Rajk, Minister of the Interior.

*GENERAL WEEMS:* I want to call the Chairman's attention to the long delay that occurred between the original request of the 25th of November and the clearance which was granted about a week ago.

*GENERAL SVIRIDOV:* In cases of both letters, I had to clear up twice for the Occupational authorities what units Major Scott planned to inspect, what military units, but once that question was clarified the permission was granted. When the final letter mentioned that he was coming in to investigate aviation units then everyone knew what the score was. I would like you to look over your letters of the first, second and third. The first two letters mentioned the fact that he is coming in to inspect military units only but the last letter mentioned that he was coming in to investigate aviation units. That was sufficient for the Occupational Forces.

*GENERAL EDGCUMBE:* When the matter of clearances comes up I always have something to say. I hope that I shall soon get the clearance for Air Commodore Stafen.

*GENERAL SVIRIDOV:* Considering that question, I have talked twice with our Occupational Forces and up to now they are not quite clear on the point as to the reason why the person concerned wants to come in. If these persons are coming in as your personal guests then the situation is quite clear. However, if they are coming in to clear up or discuss certain aviation matters with Commodore Simpson then we are not quite clear on this point.

*GENERAL EDGCUMBE:* Aviation matters. Vienna makes the arrangements direct as regards our air traffic here, but there is an overall command with Air Commodore Simpson and there are certain matters we would like to discuss with him about the machines, provisioning the machines to improve our service, and that is why I want him to come here. If he comes in as a personal guest, and I am always honest, then I would say so. Anyhow, I am sure I will get the clearance within a few days now.

*GENERAL SVIRIDOV:* In other words, I am going to request him as your personal guest and will get the clearance in that way.

The thirteenth question and the last one. This question deals with a permanent clearance for a plane with the original date on it as the 30th of December and then dragged on to the 6th of January. I requested Colonel Cherkasov to investigate the matter and Colonel Cherkasov will give an explanation as to how it happened. All the more so since such occurrences after all, are very infrequent.

*GENERAL WEEMS:* If some system could be devised whereby at the time the individuals coming in on the plane were cleared the plane itself could be cleared, then everyone could have the proper information. I would like to make a suggestion that maybe Colonel Cherkasov and my Chief of Staff could get together and formulate some system much simpler.

May I bring up one more question?

*GENERAL SVIRIDOV:* Please.

*GENERAL WEEMS:* I have sent to the Chairman and to General Edgcumbe and to the Hungarian Government a letter dated yesterday recommending the resumption of diplomatic relations between Hungary and Austria. I have stated my reasons for it and have asked each of you to give me your views on the matter. I would appreciate your views as early as I could get them.

*GENERAL SVIRIDOV:* I would like to state that this question was settled about five days ago. A special letter has been written to Minister of Foreign Affairs Gyöngvösi, and the question has been solved.

*GENERAL WEEMS:* In what way has it been solved?

*GENERAL SVIRIDOV:* Hungary and Austria will exchange political representatives. In the near future, after this exchange, they will organize the resumption of normal diplomatic relations.

*GENERAL WEEMS:* Thank you.

*GENERAL SVIRIDOV:* May we finish.

*GENERAL WEEMS AND EDGCUMBE:* Yes.  
The meeting adjourned at 17.00 hours.

711.9 Allied Control Commission, Record Group 84, Budapest Legation File; NA, Washington D.C

## 42.

*Conference of 10 February 1947*

Minutes of a formal meeting of the ACC where matters concerning the Hungarian Army and Hungarian airfields, etc. were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

### NOTES

A meeting of the Allied Control Commission for Hungary was held at 14.15 hours on 10 February 1947 in the conference room of the Soviet Headquarters in Bajza utca, near Andrásy út, Budapest, Hungary:

The meeting was called to order by the Acting Chairman, Lieutenant General V. P. Sviridov, who presided in the absence of Marshal Voroshilov.

Present were: *The United States Representation:* Brigadier General George H. Weems, Colonel John H. Stokes, Jr., Lieutenant Colonel William M. Slayden, Captain Leonid Gran.

*The British Representation:* Major General O. P. Edgcumbe, CBE, MC, Air Commodore J. H. Simpson, RAF, Lieutenant Colonel H. P. Whiteford, Lieutenant Colonel P. C. Capron.

*The Soviet Representation:* Lieutenant General V. P. Sviridov, Major General I. I. Levushkin, Major General A. M. Belianov, Major General A. N. Kondratov, Lieutenant Colonel M. I. Cherkasov.

The discussion was substantially as follows, subject to any discrepancies in the translation from Russian.

Note: No agenda was prepared by the Acting Chairman, but the following proposed agendas were submitted by the British Representation and the United States Representation:

### *British Representation*

#### *1. Hungarian airfields for use for air traffic after ratification of Peace.*

My letter BMH/208/Air of the 10th January and the Deputy Chairman's letter No 111 of the 23rd January referred to this matter. It is desired to discuss further the question of obtaining information to assist air traffic to Hungary after peace.

#### *2. Hungarian Army.*

The last discussion regarding the Hungarian Army took place at the ACC meeting on the 30th September 1946<sup>390</sup> when it was stated that the strength of the Army was approximately 13,000 including 2,000 Officers. It is desired to know what the present strength of the Army is and to receive any other relevant up to date information on this subject.

#### *3. Orders alleged to be issued in the name of the ACC.*

At the ACC meeting on the 17th January 1947<sup>391</sup>, the question of certain action by the Hungarian police in the case of Cardinal Mindszenty was discussed having regard to a report that the police had taken action on the direct orders of the ACC. It is understood that another case has arisen where direct orders are alleged to have been issued in the name of the ACC in the case of confiscation of the Hungarian edition of "Diaries of Count Ciano". It is considered desirable that action should be taken to ensure that the name of the ACC is not used improperly in this way in future.

#### *4. British War Cemetery at Budapest.*

It is desired to notify the meeting of certain particulars regarding a War Cemetery that is being built near Budapest for British killed in Hungary during the War.

#### *5. Clearances.*

It is desired to discuss the question of clearances with special reference to my letters BMH/901/Sect of the 11th and 24th January and the cases of Mr. Tyler and Miss Southcombe.

### *United States Representation*

#### *1. Storage Plants Belonging to the Vacuum Oil Company.*

In the meeting of the Allied Control Commission on 6 December 1946, the Acting Chairman indicated that when other facilities are found the Vacuum Oil Company's storage facilities would be evacuated. In my letter of 8 January 1947, I pointed out that there actually exist other facilities that could be used by the Soviet Occupational Forces. I wish to discuss this in the light of Article XIII of the Armistice Agreement.

#### *2. Clearance for military personnel for duty with the United States Representation.*

It is desired to discuss this matter in the light of my letter of 28 January 1947 in the case of Lieutenant Commander Lowell Dailey and Mr. Daniel Clapp, both officials of the United States Navy.

While on the subject of clearances, I also wish to discuss the case of Mr. Adalbert F. Eberhardt of the American Friends Service Committee about which I wrote the Acting Chairman on 20 January 1947.

<sup>390</sup> See document 36.

<sup>391</sup> See document 41.

#### *3. Diplomatic Relations between Hungary and Austria.*

In letter of 20 January 1947, I asked the Acting Chairman to furnish me a copy of letter in which he stated had been written to the Hungarian Minister for Foreign Affairs on this subject. I have not received a reply and would like to discuss the matter further.

#### *4. Confiscation of Hungarian Edition of the book "Diaries of Count Ciano".*

Reference my letter of 20 January 1947, it is desired to know by what authority the Hungarian State Police have confiscated this book.

#### *5. Hungarian Military and Police Organizations.*

My letter of 28 January 1947 asked for information about the Hungarian Army and Police. It is desired to know when this information will be forthcoming.

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*GENERAL SVIRIDOV:* The first question is not a new one. As a matter of fact, it is quite old. It concerns the storage space, buildings of the Vacuum Oil Company, occupied by Soviet Forces. I greatly regret that I have not yet obtained a positive solution of this question. The basic reason for this is that the Soviet Occupational Forces cannot find space therein to store their fuel and other materials. On the last communication from the Occupational Forces headquarters it had a hint that in view of the fact that when they occupied the storage space it was in very poor condition, partially destroyed, and in view of the fact that they have done a considerable amount of restoration work they have a sort of moral right to occupy the space. Of course this is not a very weighty reason, not a very powerful argument. The basic reason, however, is that there is absolutely no other place to go to. They would not like to create an incident in connection with this issue but, as I have said before, they just have no other place to go to. On the other hand, I tried to find out whether the Vacuum Oil Company could temporarily do without this storage space and I found out that they could indeed temporarily forego the occupation of their storage space. I should like to ask General Weems to transmit a request to the Vacuum Oil Company to wait for the storage space. The storage space will be returned to them in due time and in good repair. This is my personal request and it is also a request from the Occupational Forces Headquarters. Frankly, I myself, as Deputy Chairman of the ACC, cannot do anything more in this case. That is my information concerning this question.

*GENERAL WEEMS:* This American concern has been doing without this storage space for many months at considerable inconvenience and expense and, of course, the occupation of this Allied Power property is contrary to the terms of the Armistice. I have before me a list of properties in the towns or near the towns concerned which are believed to be quite suitable for use by the Occupational Forces, and I would thank the Chairman if he would transmit this list of warehouses to the Occupational Forces and possibly they can find some of these suitable for their use and may be able to return to the American owners their warehouses.

*GENERAL SVIRIDOV:* I would be quite thankful for such a list. I will even take them by the hand and will point out the storage space and tell them, "Here is your storage space, do not create any incidents."

*GENERAL WEEMS:* I will send a list of the storage spaces to the Chairman within the next day.

*GENERAL SVIRIDOV:* Please do so.

The second question deals with the resumption of diplomatic relations between Austria and Hungary. Under my signature, I sent a letter to the Minister of Foreign Affairs, Gyöngyösi, and I acted in accordance with the wishes of the Hungarian Government. Just as the Hungarian Government wished, so we acted. If that satisfies General Weems then the issue is solved.

*GENERAL WEEMS:* The question that I raised was not whether or not my Government would look with favor upon the establishment of diplomatic relations with these countries, but rather the procedure followed. My Government probably would approve of diplomatic relations between Hungary and the countries mentioned, but the procedure here was that the Acting Chairman, in the name of the ACC, without consultation with me, approved the establishment of these relations, and I still, although at this late date of the ACC, feel that we should act upon questions of this nature on a tripartite basis rather than unilaterally.

*GENERAL SVIRIDOV:* This is the way it is, General Weems. In practice of our work in the past we have informed the Governments of Great Britain and the United States that the ACC in principle does not oppose the conclusion of treaties to resume diplomatic relations with Italy, with Switzerland, and with France, etc., and in those cases neither the Government of Great Britain nor the Government of the United States had any objections and there were never any refusals. Therefore, in the past it was taken as normal procedure in cases of that sort that the Chairman of the ACC would grant his approval and then at a subsequent meeting the question would be related to the meeting members in an informative manner. This question is not considered as an important issue of principle and, therefore, I acted in this way as was done in the past. I should like to ask General Edgcumbe to support me in this, whether it is true or not that in the past this procedure was adopted and that, as a matter of fact, Hungary has resumed diplomatic relations with the entire world except with the Government of Great Britain, which in this case has a view of its own. In other words, the view of Great Britain is that until the Peace Treaty is signed there are no diplomatic relations. However, the Hungarians, of course, would resume diplomatic relations with Great Britain with great pleasure, just as they did with the rest of the world. The manner in which this issue has been raised by General Weems is the first time in the history of the ACC that the issue has been raised in such a manner. If I would have any doubts on this score, if I would think that General Weems might oppose this procedure or General Edgcumbe might oppose this procedure, then I certainly would not adopt any such unilateral action. Then I would not give permissions of that sort but I would place it on the agenda of the meeting. Therefore, it seems to me that there is really no need to carry on discussions of this question.

*GENERAL EDGCUMBE:* I think we have a certain amount of misunderstanding about this. The whole question really turns on the matter of procedure, and I have been looking up my past notes. Back in October 1945 General Key and I did asked the Chairman to let us know before he actually gave approval for diplomatic relations, and then in June 1946 the question arose of relations with Turkey, and in July of relations with Switzerland. In both of those cases we saw it published in the papers that permission had been given and I raised the matter here and General Sviridov told us, I think, that he assumed we had no objections. Then on the 24th of July this last year General Sviridov did consult us about Italy, Belgium and Romania and stated

we had no objections that was on the 24th of July 1946 and the Spanish Government of Mr. Giral, and we said we had no objections. There have been no objections raised about the renewal of diplomatic relations but I, myself, consider that it is not desirable that in writing to the Hungarian Government that General Sviridov should say before we have actually been consulted that the ACC approves. If the matter is one on which the General thinks we shall certainly agree and is not important, I would suggest then if there is the opportunity that he write back and say that he, as Deputy Chairman, approves of this and then he can tell us afterwards. I think it is a mistake that a letter should be sent in the name of the ACC that approval is given. I know this is a case of procedure more than anything else. Might I mention on my item three of my agenda I note the same thing. At the last meeting we talked about Cardinal Mindszenty and some orders of the ACC, and another reference here about the book of Count Ciano also, I believe, in the name of the ACC, and even at this late date I do suggest and I wish to ask the General that the wording of any instructions given by him should not read "In the name of the ACC" unless he has consulted myself and General Weems. If it is unimportant, that he should simply say "I, Deputy Chairman ACC, approve" and then he informs us of it. I feel that is the main difficulty, do not you, General Weems?

*GENERAL WEEMS:* It is a matter of procedure.

*GENERAL SVIRIDOV:* When the opposing party is attacked then that party must defend itself. I would like to ask now, first of all, whether any large mistakes have been committed, namely, that I have given my agreement and then that agreement was followed by protests from General Edgcumbe and General Weems and from their respective Governments. That is the first question, has such a mistake been committed. It seems to me, and I base my conclusions on the past, that in the past meetings and in the past discussions, I have not committed a mistake of that sort. I have never received any protest from General Edgcumbe nor General Weems. I was never told that I made a bad mistake. Therefore, I conclude that in the past I acted without committing any mistakes. I think that I am right so far. What does General Weems think about it?

*GENERAL WEEMS:* I would like to make the observations that it is my opinion that things of this nature occur because of the procedure all the way through from the request of the Hungarian Government to the Chairman of the ACC, and all the way back to the Hungarian Government, and I make the recommendation that the Hungarian Government be instructed that copies of all communications in writing to the ACC be sent to the British and the American Representations.

*GENERAL SVIRIDOV:* I have no objections to having copies sent to General Edgcumbe and General Weems; I have nothing against that. In the second place I, as Deputy Chairman, and before me Marshal Voroshilov, acted in the exact sense of the instructions and regulations of the ACC. The ACC instructions say that the Chairman of the ACC presents at ACC meetings issues of principle, and we have solved a whole series of those in our meetings. As a matter of fact, hundreds of questions of principle, of basic importance, and in particular, as you may remember, the questions concerning the control of the execution of the Armistice terms. That meeting took us about six hours. In that case all questions of principle were introduced and were fully discussed. We always adhered to the principle according to which if General Edgcumbe or General Weems would object to a certain issue that issue was never solved by us unilaterally.

but it was always discussed at a meeting. Now the issue of giving permission for the resumption of diplomatic relations was not considered in the past by Marshal Voroshilov, nor is it considered by me, as an issue of prime or principle import. Therefore, these questions were solved, were decided by the Chairman of the ACC or by the Deputy Chairman, and then Generals Edgcumbe and Weems were informed of the action taken. In the future, and we shall note it down most scrupulously, any questions of the resumption of diplomatic relations, in view of the fact that General Edgcumbe and General Weems consider it a question of principle, will be discussed and decided at an ACC meeting. That we shall write down and shall unswervingly act in accordance with.

*GENERAL WEEMS:* I would like to have the opinion of the Acting Chairman and General Edgcumbe on this proposition: that a communication be sent to the Hungarian Government directing that all requests on the ACC be made in writing and that copies of these requests be furnished to the three Powers concerned.

*GENERAL SVIRIDOV:* That we shall do.

*GENERAL WEEMS:* I believe that General Edgcumbe will agree.

*GENERAL SVIRIDOV:* It does not represent any difficulty whatsoever. I would like to say quite sincerely that when the permission was granted for the resumption of diplomatic relations between Hungary and Austria I did not hid anything, did not withhold anything, either from General Edgcumbe or General Weems because we deemed that it was just a normal, simple procedure.

*GENERAL EDGCUMBE:* I fully appreciate what the General says and as I said before I am sure it is just a case of procedure. I think that the suggestions that have been made will save any difficulty in the future in the short time that we shall have to deal with them.

*GENERAL SVIRIDOV:* Thank you very much. I would like to say that in regard to this incident with Cardinal Mindszenty that the ACC did not under any circumstances give orders or instructions to the police to act in the name of the ACC; no instructions to that effect have ever been given. On the other hand, Cardinal Mindszenty up to date has never accepted the terms of the Armistice. It would appear that he has taken the ACC under his protection. The ACC ought to request Cardinal Mindszenty to fulfill the terms of the Armistice. He must carry out the terms of the Armistice; after all he is a Hungarian citizen.

The next question is one in regard to the book by Count Ciano<sup>392</sup>. Again it would appear that the ACC gave instructions to ban or to withdraw this book by Count Ciano. Such instructions were never given by the ACC. Such instructions were not signed by me or by my heads of sections. The position is as follows. The Diaries of Count Ciano appeared on sale in Hungary and up to date the sale of this particular book has not been banned. The author of this book is well known as Mussolini's Foreign Minister, a fascist. General Belianov telephoned the Chief of Police and asked him who permitted the publication of this book by a fascist author. The police, knowing or realizing that permission for the sale of this book had not been given, acted on its

<sup>392</sup> Galeazzo Ciano, count (1903-1944), son-in-law of Benito Mussolini, Minister for Foreign Affairs (1936-1943). He was executed by the fascists because crossing of Mussolini in 1944. Ciano's diary was published in Hungary in 1946. See, *Ciano, Galeazzo naplója 1939-1943* (ed., Hugh Gibson) Atheneum, Budapest, 1946. See also, *Ciano's diary* (transl. and notes Andreas Mayor) Methuen, London, 1952.

own initiative and banned its sale temporarily. The book has not been withdrawn from sale. You can buy it today. But we were very interested to find out how this book by a fascist author was permitted to be on sale. In accordance with Article 16 of the terms of the Armistice, which bans all literature of a fascist nature, such literature has to be controlled and if necessary withdrawn. Furthermore, the ACC in fulfilling its functions is obliged to carry out the spirit of Article 16 and withdraw all books of that description. That is the story of this particular book. The question is what actually is in this book by Count Ciano? It represents the lauding of fascism, of the Italian Army, the German Army, and the principles of fascism, etc. If General Edgcumbe and General Weems desire, we can give you certain extracts from the book. This book actually lauds fascism and the fascist people. The ACC can then, in fact, be accused of not acting in banning this book at the very outset. The ACC was caught napping. If tomorrow a book by Goering<sup>393</sup> or by Ribbentrop<sup>394</sup> suddenly appears on sale, shall we permit its sale or not? Or Mussolini's diary? How do we approach the matter in regard to a decision? If we carry out our function in regard to Article 16 we must ban the sale of such books. That is all I have to say. I would like to hear General Edgcumbe's and General Weems' feelings on the subject.

*GENERAL WEEMS:* So far as other publications are concerned, I should like to discuss them in formal meetings of the ACC; in the case of any Mein Kampf, any book by Mussolini, or anyone else. If it is decided that they are truly fascist then I will support the banning of any of these books. In the case of this book, I see no reason for banning it. It is written by a fascist but the rights for this book were purchased by an American publisher and published throughout America. In fact I heard a rumor to the effect that the reason the police suppressed the book is that it made some very belittling remarks about certain Hungarian individuals, but I know nothing about the rumors. I got the impression that the book is not suppressed and can be bought on the market today.

*GENERAL SVIRIDOV:* That is right. It seems to me that we, I personally, and also I hope the other members of the ACC, will support me in this. May we request the publisher to ask for permission to publish this book and when we shall receive such a request then we shall discuss the question, whether such permission should be granted. Until such a permit is granted it is not possible or the book should not be published and sold.

*GENERAL WEEMS:* Very good.

*GENERAL EDGCUMBE:* On the general principle of banning books and publications, I entirely agree with General Sviridov that it is our duty to see that Article 16 is observed and I again think it is a matter of procedure. If some objectionable publications appear then General Sviridov's staff would be perfectly right to suspend such publications and then inform myself and General Weems and we would discuss it as to whether or not they would be permanently suspended. This is my view as to how it should be done if it occurs again. In regard to the case of this book by Count

<sup>393</sup> Goering, Hermann (1893-1946), German politician, Commander-in-Chief of the Luftwaffe from 1935 until 1945.

<sup>394</sup> Ribbentrop, Joachim von (1893-1946), German politician, Minister for Foreign Affairs between 1938 and 1945.

Ciano, I have never read it and do not know whether it is objectionable. I can give no opinion whether it should be permitted or not. All I know is that the General says it is a book by a fascist.

*GENERAL SVIRIDOV:* Well then, to sum up I want to say that I am in full agreement with what was said by General Edgcumbe. The book has been banned temporarily and at one of the ACC meetings in the near future we shall discuss this question and we shall decide whether the book should be banned and withdrawn or allowed to appear for sale. Of course in my opinion it is very difficult to imagine that some mountain ash tree would all of a sudden appear covered with luscious cherries, just as it is hard to imagine that an old apple tree would bear such wonderful oranges as General Weems sent me. However, we shall look into the matter and then make a decision accordingly. A fascist author beyond any doubt will present you with a fascist content no matter under what democratic guise he would try to do so. That is my opinion.

*GENERAL EDGCUMBE:* If we are going to discuss it in the future I must read the book. Will General Sviridov order the publisher to give us three copies, one for himself, one for General Weems and one for myself?

*GENERAL SVIRIDOV:* The American publishing firm is very wealthy and no doubt they will give us copies. This is also a book (displaying copy of another book) which extols the virtues of Mussolini himself in Russian. Here is another book that appears with the good blessings of Cardinal Mindszenty. The subtitle is "Letters to My Disciples" and the title of the book "Great is the Lord" and then in parenthesis "With Open Eyes towards God's Nature." It has a rather lengthy preface to it written by Cardinal Mindszenty. It was published in Russian and General Levushkin adds, to elevate us, to inform and educate us. The question is for whom has this book been written. Apparently for the Russian element in the ACC because they are godless people and therefore he apparently decided to turn our faces towards the Lord, and General Belianov adds that I was the first one. After all this is also propaganda, is that not so? It is propaganda directed against the Russians. If this book is banned, as we will have to do, then Cardinal Mindszenty will address letters to General Edgcumbe and General Weems. He will start screaming that he is being imposed upon, he is being offended. Nevertheless the book is propaganda directed against Soviet persons. Will you permit me to go over to the next question?

The next question is one that concerns the Hungarian Army. On this matter I will give you the following information. There has been no alteration of the organization of the Hungarian Army, no further units or formations have appeared. Today the strength of the Hungarian Army is 12,898. At a recent ACC meeting the strength I gave then was about 13,000, therefore, one can say that actually the strength of the Hungarian Army has not altered. This army is considered military personnel. Soldiers, men and sergeants, 1,100; civilians employed number 1,790 persons; officers, 1,630. That is the strength of the army today. They have, as before, the First and the Sixth Divisions, fourteen battalions of the frontier guards, four organizations for controlling the military districts and the Ministry of War. That is the complete composition of the army today.

*GENERAL WEEMS:* The fourteen battalions of the frontier guards, is that part of the 12,898 in the Army?

*GENERAL SVIRIDOV:* The frontier guards are included in the total number. That is all I can say about the army.

*GENERAL WEEMS:* Will the Chairman be kind enough to forward my letter to him of January 28th to the Hungarian Government and ask them to give me more particulars of the organization of the army and frontier guards as indicated in my letter?

*GENERAL SVIRIDOV:* I have communicated to General Weems all the material that I have received from the War Ministry. What other details would the General like to have?

*GENERAL WEEMS:* I would like my letter to be passed to the Hungarian Minister of Defense and let him give me an answer to the four questions I have raised in that letter.

*GENERAL SVIRIDOV:* This letter, the letter of General Weems, has already been transmitted to the Minister of Defense in the War Ministry. This letter was also transmitted to the Minister of the Interior and the information from the Minister of War has already been received. However, I have not received an answer from the Minister of the Interior.

*GENERAL WEEMS:* Thank you.

*GENERAL SVIRIDOV:* Concerning the Hungarian Police, as soon as I shall get an answer I shall transmit it to General Weems.

*GENERAL WEEMS:* Very good. Thank you.

*GENERAL SVIRIDOV:* However, I know one thing and that without any doubt at all, namely, that the Hungarian Police has been greatly decreased in numbers. That I know definitely. It has been cut down almost in half. Because the Hungarians do not have sufficient means to feed both the Army and the Police, they have left the Army as it was and they have considerably diminished the police force. Will there be any other questions concerning the Army and the Police?

*GENERAL WEEMS:* Not from me if I can get a complete answer to my letter of January 28th to the Hungarian Government.

*GENERAL SVIRIDOV:* There is only this, that the Minister of the Interior has asked me by telephone for what purpose is this information needed and, of course, I could not give him any answer to that question. Personally I do not know what answer I should give him.

*GENERAL WEEMS:* I think that the Minister of the Interior should be made to understand that the Allied Control Commission is entitled to that information.

*GENERAL SVIRIDOV:* That is what I shall tell him. May we go to the next question or shall we continue to discuss this matter further?

*GENERAL WEEMS AND EDGCUMBE:* Let us go to the next question.

*GENERAL SVIRIDOV:* The next item is one by General Edgcumbe as to the use of Hungarian airfields after ratification of Peace. I have replied to General Edgcumbe in a short letter. I have requested the information required from the Hungarian Government and they replied in effect that they had requested the Minister of Communications, Gerő, to reply. The reply I got was to the effect that this is not a question which is actual, and it is rather a secondary sort of question and at the moment they have no plans for the future at all. They are busy with matters of far greater importance

and as to this question of airdromes, which up to now have been occupied by the military forces, they have no intention of investigating the matter.

*GENERAL EDGCUMBE:* I presume that the majority of the airfields will be handed back to the Hungarian Government as soon as Peace is ratified.

*GENERAL SVIRIDOV:* I must reply quite frankly to that question that I have absolutely no information at all. I do not know anything as to the intentions of the Occupying Forces or the Hungarian Government or my own Government. I know perfectly well that question has not been decided by anybody.

*GENERAL EDGCUMBE:* Apparently, in talking to Colonel Ostrovsky, the Hungarians had said that they were thinking of starting a runway at certain airfields, at Vecsés. I would be grateful if the Chairman could find out from the Hungarians whether or not they intend to make any special arrangements at this Vecsés airfield during this summer.

*GENERAL SVIRIDOV:* Nobody has approached me on this subject. May we proceed to the next question?

*GENERAL EDGCUMBE:* We were told that they will start repairing hangars and runways in the summer, when weather permits.

*GENERAL SVIRIDOV:* It is possible. It is clear that the situation is very dark.

*GENERAL EDGCUMBE:* It is not the fog of war; it is the fog of peace.

*GENERAL SVIRIDOV:* The next question is also one by General Edgcumbe in regard to the British War Cemetery in Budapest.

*GENERAL EDGCUMBE:* I merely wanted to give information to the meeting. I thought it would interest General Sviridov and General Weems that we have plans of building a war cemetery for the British who were killed during the war in Hungary, I believe about 200. The Hungarian Government has presented the land on a site on the Vienna-Budapest road, just outside Budapest. We are proceeding to make this cemetery and the expenses are being met by our Government. Whether the cemetery will be open before we close down or not, I do not know, but I hope we can open officially and have a ceremony so I can have the honor to invite General Sviridov and General Weems to come to the dedication of this cemetery before we leave. The Hungarian Government has presented the land, but the British Government will pay all the expenses.

*GENERAL SVIRIDOV:* Thank you very much.

The next question is one of clearances by both General Edgcumbe and General Weems. The persons quoted by General Edgcumbe and General Weems have all been given clearances. This being so, perhaps we can consider no more discussions required on this subject. Or shall we discuss once again this eternal question?

*GENERAL EDGCUMBE:* I have instructions to again say something, General. I am grateful that the people named have been cleared, that is good, but I do want again to make the point of view of my Government that they do not consider that the Hungarian Government are in a position to advise in every case properly whether the British trade representative can come here. I know that is the procedure adopted of asking the Hungarian Government. I have said this before but I am instructed to say this again. My Government consider a British trade representative probably can come here and probably find out possibilities of trade here with the United Kingdom and probably make some arrangements for some useful trade. I am going to again hand

you a list for the last three months. We have 18 trade representatives not allowed to come here and I have to say that my Government feel that quite a considerable amount of useful trade for Hungary and Great Britain, and for Europe generally, has been lost by the Soviet High Command not permitting these persons to come here. As we all know, there has been a great deal of discussion lately about the treaty between the Soviet Union and the United Kingdom. In that treaty it says that after the war the two countries are going to do everything possible "to render one another all possible economic assistance." I want to ask General Sviridov to point out to the Occupying Forces that by being so difficult in granting clearance to British trade representatives they are not doing much to help carry out this part of the treaty. I would like General Sviridov to point this out to the Occupying Forces, saying that by insisting on such a difficult procedure they are not helping to carry out the underlying principle of that treaty.

*GENERAL SVIRIDOV:* Has General Weems anything to add, his opinion?

*GENERAL WEEMS:* No.

*GENERAL EDGCUMBE:* I should like to ask that during the next few weeks while we are here, you ask the Soviet Occupying Forces to adopt a new motto, namely, "Let them all come."

*GENERAL SVIRIDOV:* In my opinion your list of refusals has become one third of what it was in the past. That is great work.

*GENERAL EDGCUMBE:* I thank the General for that, but I would like to see no list of refusals.

*GENERAL SVIRIDOV:* In any case where the Hungarian Government has entered into trade agreements with various countries there has not been one single case of refusal for businessmen to enter this country. When you make your applications for clearances for such persons, will you describe or state definitely that this or that person is entering Hungary for the purpose of carrying out commercial operations: that this or that person is entering Hungary to carry out trade operations and negotiations. Then they will be cleared. Sometimes we are told that people are coming here for the purpose of contacting Hungarian firms direct or are coming here to resume pre-war commercial relations and when we advise this particular firm that such and such a person desires to come here for that purpose the answer is that they know nothing about these people. If the Hungarian end of the business cannot give reasons for their entry to Hungary, why permit them to come in? They spend their money and their railway fares to waste their time. They come here, do nothing and go back empty-handed. There are cases where Hungarian firms apply to the Minister of Trade<sup>395</sup> requesting permission and in that case permission is given and results in concluding of business. Although you say that we should not consider the views of the Hungarian Government when applying for these clearances, you must admit that these particular business men are coming to Hungary to get in touch with Hungarian business men and, therefore, we have to consider as to whether there is any use to their coming here or not. If they can bring no use to the Hungarian Government or the Hungarian firms, then why permit them to enter? In other words, they are simply enthusiasts who want to travel. Just lately there have been quite a number of requests

<sup>395</sup> Sándor Rónai



from organizations offering help and assistance to Hungary. When we look into these questions we find there are a lot of people who offer their services, but in actual fact there is not material help being offered at all. A lot of offers of service but no offer of help. There are many enthusiasts who wish to travel. Really there are a lot of people who do really help, a lot of Americans and British, and those persons who actually give help permission is given for them to enter. When a lot of people come here, as it were, to give help and when they arrive and do not give help naturally that causes the Occupational Forces to doubt the real purpose of the visits. The best plan would be for say the Minister of Trade to say that they require this or that they can conclude with them successful and profitable agreements. Nobody would have any objection to that. There would be real and sound reasons for permitting them to enter.

*GENERAL EDGCUMBE:* I think we can not profitably continue to discuss this, but General Sviridov continues to emphasize the Hungarian Government and their recommendations. The point of view of my Government is this, that before my Government puts forward the applications to me they consider from our point of view, knowing Hungary before the war, whether it is likely there will be some trade. The other point of view is that my Government do not consider, and I certainly do not, having been here two years, that the Hungarian Government is so efficient that they know whether there really will be trade. I know in a lot of cases they do not go into the question properly. Very often they haven't the time and the efficiency to find out whether there will be trade. I only hope that we shall have as few refusals as possible in the future.

*GENERAL SVIRIDOV:* I would like to draw attention to the fact that the Hungarian Government does not dictate in these matters, merely expresses an opinion, and from that one is able to see the reasons for the entry of this or that particular person, whether it is necessary or not. I would like to say that during January there has been a very small number of actual refusals.

*GENERAL EDGCUMBE:* I fully appreciate the Hungarian Government do not dictate. Perhaps we will discuss this again. I am afraid the Hungarian Government do not always express the correct opinion. Let us hope we will not have to discuss this often again.

*GENERAL SVIRIDOV:* All right. Thank you.

One last question which concerns General Weems. I beg General Weems' forgiveness that I haven't notified him before raising this because it is being raised almost spontaneously. It deals with the following. The Hungarian Government has asked me when will we resume the movement of the Schwabians. Why do they ask me that? It is because the land of the Schwabians has already been divided and allotted and the new owners have already appeared on the scene, are already occupying the land, and so now every farm has two masters - there is a Schwabian and there is a Hungarian. What will your order be to transmit to the Hungarian Government?

*GENERAL WEEMS:* I am very sorry that I do not have recent instructions from our authorities in Germany in regard to this matter. As soon as I can get a final decision from the American Occupational Forces in Germany, I shall communicate it to the Hungarian Government through the Chairman of the ACC.

*GENERAL SVIRIDOV:* It seems to me that more or less normal conditions for repatriation are now present. All the more so since the decisions of the Control Council

in Germany still remain unexecuted. I would like to ask General Weems to query the authorities in Germany as to when this question will move from its present dead spot.

*GENERAL WEEMS:* I shall make every effort to get the answer and transmit it to the Hungarian Government through the Chairman of the ACC at an early date.

*GENERAL SVIRIDOV:* I shall be very grateful.

It seems to me that the questions have been all settled.

*GENERAL EDGCUMBE:* Could I raise another question? Two small questions I want to raise. One is about the German assets that have been taken over by the Soviet Union. I wrote to General Sviridov on the 4th of February asking if I could have any further information. We discussed this in November and then General Sviridov told me that there was a special Soviet Commission here dealing with these German assets and he would ask them to let us know when any British interests are affected. I should be glad to have some further information about two letters, one is my letter 401/78 of the 21st of December about the firm called the Kender Juta Textile and another about the Budapest Gas and Electric Company, and letter from General Sviridov, No. 2049, on the 8th of August. I do not ask a reply to both now, but if those could be looked up I would be very grateful. Furthermore, I understand there is a Hungarian rubber goods factory which is mainly British. There is an interest in that which is understood to be an Austrian interest, and I am told that that is being transferred to the Soviet Government as being a German interest and I should be glad to know anything about that.

*GENERAL SVIRIDOV:* I will give you a written reply to the first item. I apologize for the way in which these questions are so long drawn out. It takes a long time to get a reply from the Hungarian Government; it is very difficult. This last question is none too clear; this Hungarian rubber goods factory. You state that it is mainly British interests and a part Austrian.

*GENERAL EDGCUMBE:* Part Austrian. We understand it is being transferred or has been transferred to the Soviet Union. I haven't written any letter but I will write if the General wishes.

*GENERAL SVIRIDOV:* No need to write a letter. This can be checked from your verbal report.

*GENERAL EDGCUMBE:* At our last meeting<sup>396</sup> General Weems raised the point about a coal mine in Romania, partly owned by Urikany-Zsilthaler Ungarische Kohlenbegwerke A. G. I saw something in the press to say that it has now been sold and passed over to the Soviet Union and as there is considerable British interests in Urikany we should be grateful for information if that is so.

*GENERAL SVIRIDOV:* I know a certain amount about this but not in detail. I know that the Hungarians have sold their part interest in the Petrosani Coal Mines to the Soviet Government. On the other hand, I have a letter from the Hungarian Government, signed by Balogh István, assuring me that the British interests will be looked after. A copy of this letter has been sent to General Edgcumbe.

*GENERAL EDGCUMBE:* Yes, I have that copy.

*GENERAL SVIRIDOV:* What exactly is that interest?

<sup>396</sup> See document 41.

*GENERAL EDGCUMBE*: It definitely is correct then in the paper and General Sviridov confirms that it has been sold. We were not certain what has happened.

*GENERAL SVIRIDOV*: The Hungarian shares have been sold to the Soviet Government. I imagine that the shares belonging to British holders remain their property; nobody will touch them. They remain British.

*GENERAL WEEMS*: The Hungarian Government stated that they were looking after the American and British interests but did not say in what respect, how they were going to do it.

*GENERAL SVIRIDOV*: General Levushkin is being instructed to inquire as to what manner the British and American interests are being looked after.

*GENERAL EDGCUMBE*: Thank you very much. I wish to inform General Sviridov and General Weems that I am going on a visit tomorrow to England and I shall be gone three days, if the weather is all right, and in the meantime if the General wishes to raise any questions, Air Commodore Simpson will deal with them for me.

*GENERAL SVIRIDOV*: Thank you very much.

I think that we shall have other conferences of the ACC. I think that the ACC will continue to function until the ratification of the Peace Treaty by the American Congress, the British Parliament and the Soviet Union<sup>397</sup>. Certain information has appeared in the Hungarian press according to which the U. S. Senate will start reviewing the Peace Treaty on the 18th of this month. Perhaps the General has some new information on this.

*GENERAL WEEMS*: The only thing new that I have in regard to the Peace Treaty is the fact that the Secretary of State, General Marshall, submitted a list of 27 items that Congress should ratify or pass laws about and his first priority was about some sort of law to effect a continuation of relief abroad supplanting UNRRA. No. 2 priority was the ratification of these Peace Treaties, so I expect early action on the part of our Senate.

*GENERAL SVIRIDOV*: I reiterate again that according to the Hungarian press the Senate will start considering it on the 18th of February.

*GENERAL WEEMS*: That is probably correct.

*GENERAL SVIRIDOV*: I ask General Edgcumbe with his officers and also General Weems with his officers to come to us tonight for a cup of tea and I am going to show some of our Russian movies. One of the films will show the various artists appearing in Moscow, songs, etc. Personally I like the film very much. The films will occupy about an hour and a half.

*GENERAL EDGCUMBE*: I hope the General will not mind if I leave rather early because I have to start early tomorrow morning.

*GENERAL SVIRIDOV*: Well, what do you call early? If you decide to go about 12 o'clock I will have no objections. I will be very glad for you to come and very pleased to see both General and Mrs. Edgcumbe.

*GENERAL EDGCUMBE*: I will be there but must not leave late.

*GENERAL SVIRIDOV*: The film is worth seeing.

The meeting adjourned at 16.40 hours.

711.9 Allied Control Commission, Record Group 84, Budapest Legation File; NA, Washington D.C.

<sup>397</sup> The Hungarian Peace Treaty was signed on 10 February and came into force on 15 September, 1947.

## 43.

*Conference of 4 March 1947*

Minutes of a formal meeting of the ACC where matters in connection with Hungarian airfields and oil, etc. were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

### NOTES

A meeting of the Allied Control Commission for Hungary was held at 14.15 hours on 4 March 1947 in the conference room of the Soviet Headquarters in Bajza utca, near Andrássy út, Budapest, Hungary.

The meeting was called to order by the Acting Chairman, Lieutenant General V. P. Sviridov, who presided in the absence of Marshal Voroshilov.

**PRESENT WERE:** *The United States Representation:* Brigadier General George H. Weems, Colonel John H. Stokes, Jr., Lieutenant Colonel William M. Slayden, Captain Allan J. Hackner<sup>398</sup>.

*The British Representation:* Major General O. P. Edgcumbe, CBE, MC, Air Commodore J. H. Simpson, RAF, Colonel H. M. Curteis<sup>399</sup>, MC, Lieutenant Colonel H. P. Whiteford, Lieutenant Colonel P. C. Capron, Captain C. F. Figures<sup>400</sup>.

*The Soviet Representation:* Lieutenant General V. P. Sviridov, Major General A. M. Belianov, Major General A. N. Kondratov, Lieutenant Colonel M. I. Cherkasov.

The discussion was substantially as follows, subject to any discrepancies in the translation from Russian.

Note: No agenda was prepared by the Acting Chairman, but the following proposed agendas were submitted by the British Representation and the United States Representation:

### *British Representation*

#### *1. Hungarian Airfields for Use after Ratification of Peace.*

This matter was discussed at the ACC Meeting on the 10th February 47<sup>401</sup> and it is desired to know if the Deputy Chairman can give any further information.

#### *2. Alleged Plot against Hungarian Republic.*

This was discussed at the ACC Meeting of 17th January 47<sup>402</sup> and it is desired to ascertain from the Deputy Chairman the latest information he has on this subject.

<sup>398</sup> Captain Allan J. Hackner, member of the Economic Section of the U.S. Military Representation on the ACC for Hungary.

<sup>399</sup> H. M. Curteis, Head of the Military Section of the British Military Mission on the ACC for Hungary.

<sup>400</sup> Captain C. F. Figures, member of the Russian Liaison Section of the British Military Mission on the ACC for Hungary.

<sup>401</sup> See document 42.

<sup>402</sup> See document 41.

3. *Report on Hungary for UNO Sub-Committee on Devastated Areas.*

Deputy Chairman said at Meeting of 17th January 47, that Hungarian Government hoped to produce this report in two weeks. It is desired to know what progress the Hungarian Government has made.

4. *Permanent Passes for Members of ACC for Movement in Hungary.*

This was discussed at Meeting on 17th January 47.

Deputy Chairman promised to investigate with High Command.

*United States Representation*

1. *Permanent Passes.*

At the meeting of 17 January 1947 a recommendation was made that permanent passes be issued to the members of this Representation. We have not been informed of any action in this matter and I would like to learn the decision of the Soviet authorities.

2. *MAORT Oil Company.*

It is understood that the Hungarian Government has appointed a committee of four controllers for the MAORT Company. It is desired to know the significance of this move on the part of the Hungarian Government and if the Soviet Occupational Authorities are planning to withdraw from these properties.

3. *The Urikany-Zsilthaler Ungarische Kohlenbergwerke A. B. of Budapest (Petrosani Coal Mines).*

I refer to my letter of 31 December 1946 and discussions in the last meeting of the Allied Control Commission on 10 February 1947. The Acting Chairman stated that General Levushkin was being instructed to inquire as to what manner the British and American interests are being looked after. I should like to have what information is available on this subject.

4. *Vacuum Oil Company's Storage Warehouses.*

With my letter of 12 February 1947 there was transmitted a list of storage facilities which were reported to be available for use by the Occupational Forces. It is desired to know what action has been taken toward returning the warehouses to their legal owners.

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*GENERAL SVIRIDOV:* The first question is one concerning the issue of passes to members of the American and British Missions. In this respect, I have spoken to the High Command and they have decided to adhere to the conditions laid down in the Statutes of the ACC and that in the future no written pass will be necessary. All that should be done is that members of the American and British Missions telephone the ACC informing them of the proposal to visit a certain place, stating the district and the route to be taken. I repeat once more that the conditions laid down in Article 6 will be brought into use. In regard to the issue of written passes valid for a period of say one month or two months, in view of the fact that the days of the ACC are numbered, it would hardly warrant it. It is possible by the 15th of this month we shall all be going home, then no passes are required.

*GENERAL WEEMS:* If I understood correctly, there is no document necessary in the hands of the Americans or British.

*GENERAL SVIRIDOV:* Every officer, every man, has his own personal identity card. Simply ring up by telephone and inform of the intention of the journey, route to be taken, district and the destination.

The next item is one concerning the oil concern of MAORT, raised by General Weems. You may inform Mr. Ruedemann that the Soviet control is terminated, finished. There are no officers, no men, anywhere on the field or in the factory - they have been withdrawn.

*GENERAL WEEMS:* Yet the Soviet element of the ACC in issuing passes to the American officials of that company put on the back of the pass that they should report to the Kommandatura for a guide to proceed to the field. Is that any longer necessary?

*GENERAL SVIRIDOV:* That regulation still remains in force for Sopron, Szombathely and Győr, these three towns. In those three towns just mentioned officers and men arriving should report to the Kommandatura for a guide around the town because there may be some kind of check post or patrols, or something like that, and therefore they consider it necessary. Nagykanizsa does not come into this regulation.

General Weems has inquired about controllers sent to MAORT by the Hungarian authorities. I know all about that. The answer is yes. The Hungarian Government has sent their controllers there in order to prevent the decrease of output. That is being done because the Hungarian Government knows very well it is Mr. Ruedemann's intention to decrease the output by 40 per cent. He proposes to have an output of only 60 per cent of what the output is today. That is a matter which concerns the Hungarian Government. The Soviet authorities are in no way concerned with it. Has General Weems anything else to say on this particular question?

*GENERAL WEEMS:* Not at this time and probably not to the ACC, but it is probable that my Government will contest the Hungarian Government's decision to appoint this control, with the authority which has been given the control, on the grounds that possibly it is not in conformity with the Peace Treaty or possibly not in conformity with the Armistice Agreement. I do not know yet but will learn later.

*GENERAL SVIRIDOV:* May we consider that this question is now finished?

*GENERAL WEEMS:* Yes.

*GENERAL SVIRIDOV:* The third question concerns the protection of American and British properties in the mine of Petrosani. As a result of the last meeting I wrote a letter to the Prime Minister requesting him to give me full details as to how the Hungarians propose to protect American and British interests. This concerns not only the Petrosani property but British and American property in general. A few days ago I sent a special officer to inquire as to why, up to the present time, I have not received a reply. This officer of mine saw a counselor, Dr. Kuesi, who informed him that ACC letter No. 217 had been received and that the reply was being prepared. I think that the reply was being prepared, but was not ready in time for us to discuss at this meeting. Dr. Kuesi verbally assured my officer that General Weems and General Edgecumbe may be quite sure that British and American interests will be protected, but to the present moment no reply has been received to my letter. I expect a reply in a day or two and as soon as I receive it I will send copies to both General Edgecumbe and General Weems. I put the matter to them in a very direct manner on the grounds that the previous letter written by Béla István, of which you have already received a

copy, was not direct and to the point and I pointed that out to him. That is all the information I have on this particular question.

*GENERAL WEEMS:* Thank you for the information.

*GENERAL EDGCUMBE:* Thank you very much.

*GENERAL SVIRIDOV:* The next question is by General Weems – storage warehouses of the Vacuum Oil Company. I have the following information at hand: In the town of Debrecen, this is now being released and about the 7th of March the storage warehouses will be released from any control and they will be turned over to the Vacuum Oil Company. In the city of Székesfehérvár, they are now in process of locating storage space and they have already two places selected for the purpose. It has been found that these two locations have to be repaired and roads to them have to be fixed, and as soon as this has been achieved all the storage warehouses in that area will also be turned over to the Vacuum Oil Company. I am convinced that also in the case of Székesfehérvár the result is going to be positive in the very near future. The situation is worse in the city of Pápa. They could not find any suitable location for storage in that city. The High Command asked to be excused, that because of this lack of suitable space, it will be obliged to hold this storage space temporarily in their hands, but even so it is being paid for at the present by the Hungarian Government and when the Peace Treaty is signed and ratified then the Soviet Government will pay for it. In any case, the company does not suffer from the Soviet authorities keeping the storage space. This is the answer, the situation on the storage warehouses. What is General Weems' comment on this subject?

*GENERAL WEEMS:* If I got the meaning of the Acting Chairman's remarks, it is to the effect that warehouses at Debrecen and Székesfehérvár will soon be restored to their owners, and in the case of Pápa it will be somewhat more delayed on account of the fact that no suitable location could be found.

*GENERAL SVIRIDOV:* In the city of Debrecen space has been found and being fixed and it will be released on the 7th of March. In Székesfehérvár they have found the space but it has to be fixed and I haven't the exact date when it will be turned over but it will be turned over as soon as all arrangements have been completed for taking over the storage space and the roads have been fixed. There is no doubt that it will be released. In the city of Pápa no space could be found and the High Command asked to be excused because it is not able to release the storage warehouses at present.

*GENERAL WEEMS:* The Acting Chairman further stated, as I understood, that in the case of Pápa the Hungarian Government is now paying rent to the Vacuum Oil Company, and that after the ratification of Peace the Soviets will pay the rent for the storage warehouses that they may hold temporarily.

*GENERAL SVIRIDOV:* I suppose and assume that that should be the proper solution, however, as to the question of General Weems I will ask the High Command about it. Possibly they will find it too expensive for them to pay in the future and then they will release the storage space much sooner.

*GENERAL WEEMS:* I thank the Chairman for the explanation he has given.

*GENERAL SVIRIDOV:* Permit me to go on to the fifth question. This question was raised by General Edgcumbe, on the subject of the exploitation of the Hungarian airfields after ratification of the Peace Treaty, and also partly on the subject of the Vecsés airfield. On the subject of the Vecsés airfield, I have been informed that this

airfield has been turned over to the MASZOVLET organization, which abbreviation stands for the Soviet-Hungarian Air Company. This airfield at present is not occupied by anybody and is not suitable for receiving any planes. It is proposed to add to that field, to enlarge that field, to make it more suitable. On the subject of all other airfields, I have a definite answer from the Hungarian Government that they will study the construction, enlargement and repair of all these airfields only when the Peace Treaty will be ratified and signed. This is the answer of the Hungarian Government to the question raised by General Edgcumbe. I have nothing new to add to the question.

*GENERAL EDGCUMBE:* I thank the General for this information. Since I last spoke about this I have had further instruction from my Government and they are anxious that as soon as possible after the ratification of Peace any airplane services coming here from the British should be arranged according to the normal peacetime safety standards. That is to say that the arrangements should be that they are operating according to the peacetime arrangements as regards safety, landing, etc. With that in view, my Government has told me that they are very anxious to send three representatives from England as soon as possible to discuss with the Hungarian authorities here what ground technical organization would be required here in order to insure that those standards of safety are up to the normal peace requirements. Consequently, my Government have told me that I am to ask General Sviridov whether he will do his best to give clearance for this visit of three representatives and I have written it down, as it is a complicated subject, in letter form and I now hand it to you. I do not expect the General to give me an answer immediately but I will be very grateful for an answer within the next few days. I will give particulars of the individuals in the normal way. I give General Weems a copy of my letter also.

*GENERAL SVIRIDOV:* I can answer General Edgcumbe that I will study the letter and will answer it as soon as possible.

*GENERAL EDGCUMBE:* Thank you very much. Then I think we can pass on to the next item. I thank the General for the information that he has given us.

*GENERAL SVIRIDOV:* The next question was raised by General Edgcumbe in regard to the plot against the Hungarian Government, and General Edgcumbe is inquiring if there is any further or late information on this subject. In reply to that question I am able to say that personally I have no further information and nothing new on the subject. Personally I am informed by the Hungarian press in the same way as General Edgcumbe is informed and General Weems, and all of us, that is to say from the press. I know that the perpetrators are being tried at the moment, and that each and every one of the accused is being tried separately. Perhaps General Edgcumbe would be good enough to tell me what information exactly he would like to have. I will then endeavor to find the information required by General Edgcumbe, or to answer any specific question he will ask, but personally I think the whole matter is quite clear.

*GENERAL EDGCUMBE:* Thank you, General. When I put this on the agenda my intention really was to hope that you would perhaps have discussed the matter further with the Prime Minister or heard from him something more than the newspapers have told us, but you say that you have heard nothing. Quite naturally I am interested, arising out of this, in the question of the arrest of this Mr. Kovács Béla who, according to the newspapers, was arrested not directly in connection with this

plot but arrested by the High Command for work against the Soviet Army. I think it is<sup>403</sup>. As that very directly affects the security of the Allied Commission here I would be interested if the General could tell us anything about that particular incident. I think so far all that has been published in the newspapers is to the effect that this individual, who was apparently connected with this plot and about whom there was a great deal of discussion because he was a member of the Assembly, should or should not be arrested, and then it appears that the Soviet High Command decided to arrest him. I think it is a matter of considerable interest to us if the General could tell us something about this.

*GENERAL SVIRIDOV*: The question of Kovács Béla, the reason for his arrest, was published in the newspapers. Furthermore, during the present trial it comes out that he was without a doubt implicated in this plot against the Hungarian Government, and at the moment nobody has withdrawn that charge of being implicated in this plot. The evidence of Donáth<sup>404</sup> shows that he was implicated, Szent-Miklóssy also. They say definitely that Kovács Béla was a plotter and implicated in this plot. The original accusation against Béla Kovács has not been withdrawn. The reasons for his arrest by the Soviet High Command have been published in the press. Are there any further remarks or comments on this subject?

*GENERAL WEEMS*: I would like to know if Kovács Béla will be tried by the Soviet High Command or will be turned back to the Hungarian Government for trial.

*GENERAL SVIRIDOV*: It is difficult to say who will try him. At the moment investigations in the case are still continuing, and one cannot say by whom he will be tried. It all depends on what the investigation shows and the present trial.

*GENERAL WEEMS*: Will the trial be open to the public?

*GENERAL SVIRIDOV*: Without a doubt the Soviet High Command will try him for plotting against the Soviet Army. It is difficult to say if he will also be tried by the Hungarian Government.

*GENERAL WEEMS*: I understand the trials being conducted currently by the Hungarian Government are open to the public. The trial of Kovács Béla by the Soviet High Command, will it be open to the public?

*GENERAL SVIRIDOV*: That is undecided.

*GENERAL EDGCUMBE*: We thank you, General. I do not think there is anything else. You have no more information really than we have from the newspapers. It is certain that Kovács Béla will be tried by the Soviet High Command. That is certain.

*GENERAL SVIRIDOV*: That is correct.

*GENERAL EDGCUMBE*: Thank you.

*GENERAL SVIRIDOV*: The next subject is the question raised by General Edgcumbe on the report of the United Nations Sub-Committee on Devastated Areas. In

<sup>403</sup> Béla Kovács, representative at the Hungarian National Assembly and former Secretary General of the Smallholders' Party. He was accused of getting involved in the so-called Hungarian Community conspiracy by the Political Police but the National Assembly refused to suspend his immunity. Kovács undertook to testify at the Political Police and this event gave the opportunity for the Russian Military Authorities to arrest him on charges of spying against the Soviet Union. See, Nagy Ferenc, *ibid.*, 365-370. See also, Csicsery-Rónay, Csernyey, *ibid.*

<sup>404</sup> Donáth, György (1904-1947). Member of Parliament. He was sentenced to death because of taking part in the alleged conspiracy against democracy. Donáth was executed on 27 October 1947.

this case I sent an officer to the Prime Minister since I had forwarded to him all the details on this question, and through the counselor, Mr. Brenesi János, I received an answer that approximately one more week will be required to study this subject. He was instructed by the Prime Minister to inform me through my office. To my great regret, this is the situation and I can not help and have no answer to this question.

*GENERAL EDGCUMBE*: Thank you, General.

*GENERAL SVIRIDOV*: Permit me one more question. In the last meeting both General Edgcumbe and General Weems proposed that we solve or come to a solution on the subject of the banning of the Diary of Count Ciano. It was assumed at that meeting that today we would be acquainted with the text of that book. What is the opinion of General Edgcumbe and General Weems? Should we discuss this subject today or should we postpone it until the next meeting?

*GENERAL WEEMS*: I am agreeable to discussing it today.

*GENERAL EDGCUMBE*: I am afraid I can not discuss it today because I haven't seen the book.

*GENERAL SVIRIDOV*: Maybe we should discuss it then at the next meeting and give General Edgcumbe an opportunity to get acquainted with the book.

*GENERAL WEEMS*: In that connection I mention for the benefit of General Edgcumbe and General Sviridov that after the last meeting, in which I understood General Sviridov to say that the book actually was not banned and could be purchased in Budapest, I tried six of the best bookshops and they have all said in effect that the police confiscated every single copy even in the printers office, and there is not a copy left either at the printers or in the bookshops and a copy cannot be had in Budapest.

*GENERAL SVIRIDOV*: This has been done by the Hungarian police on instructions of the Allied Control Commission, partly by myself. I have given those instructions since to my knowledge no permission for publishing the book has been given by the Allied Control Commission. Since this question was raised in the last meeting that is why I raised it again today so we can discuss it and come to a conclusion about publishing the book.

*GENERAL EDGCUMBE*: As we are near the closing of the Mission I believe it should be left not settled. The book should be read very carefully to see whether it should be published or not. From the title of the book I do not like it for publication. Has General Weems studied the book?

*GENERAL WEEMS*: I have read parts of it as it came out in the United States. I notice that the book has been translated, printed and sold without difficulty in Czechoslovakia, The Netherlands, Norway, Italy, Portugal, Sweden and Switzerland. Contracts have been signed for its publication in Denmark, England, Poland and Romania. My Government takes the stand that it should be made clear that freedom to study the Diaries for the historical information contained therein and agreement with the contents of the Diaries are distinct and separate questions. The United States is not in agreement with the contents of the Diaries, but it does consider it to be an undeniable right of the people to have access to historical documents as one of the freedoms as outlined in Article 2 of the Peace Treaty with Hungary. In view of General Edgcumbe's statement that he has not had an opportunity to learn something of the contents of this book, I suggest that I present to the other members of the ACC my

Government's views in the form of a letter and it can be discussed at greater detail in the next meeting.

*GENERAL EDGCUMBE:* I quite agree, but I would like to point out that quoting the Peace Treaty which has not been ratified is not correct. I think that definitely weakens the case. I do not think there is any argument. There should be an article of the Armistice not the Peace Treaty. The moment Peace comes they can publish what they want anywhere. I would be very pleased to consider it and discuss it next time if General Sviridov is agreeable.

*GENERAL SVIRIDOV:* I understand General Edgcumbe does not like the book. I do not like it either. I personally do not like the book because I do not like the results of having a book that has been written by a fascist writer widely published. The publishing of this book in the meantime gives a certain authority or a certain popularity for a fascist writer. To whose favor is it to build up such popularity? This would be of great favor to all the reactionary and pro-fascist elements in this country. Who is going to read the book and then especially considering the fact that General Weems has stated that the United States Government does not agree with the text of the book? It can be concluded that the people that will read the book will be people or elements that in a certain way or form sympathize with the principles set forth in the Diary of Count Ciano. It can be concluded that this book would primarily supply food or material for nourishment for the anti-Democratic elements. The workers or the peasants or the democratic intelligentsia will definitely not benefit by the contents of the book. This book is definitely not needed or not required by the democratic elements. This is my personal opinion about it and the text of the book is without value and is not needed by anybody. It even does not have a historical or documentary value and if it is necessary then one could save several copies of that book in some museum for history's sake. This is my opinion about the book.

*GENERAL WEEMS:* I should like to point out that since the book shows conclusively the fatal results ensuing to those who follow Fascist ideas, the book may be considered as one of the strongest arguments against Fascism. As the Chairman stated, the United States is not in agreement with the contents of this book, but it does consider the undeniable right of the free people to have access to this book.

*GENERAL SVIRIDOV:* If General Weems and the United States Government are not in agreement with the contents of the book, General Edgcumbe does not show too much sympathy for this book, and I do not like this book, it means that all members of the Allied Control Commission are against this book. The question is then solved. I mean all three of us are not in agreement or accord with the book.

*GENERAL WEEMS:* The contents of the book, not publication of the book.

*GENERAL SVIRIDOV:* It can be considered then that based on the position made by General Weems, and based on the letter covering the subject that General Weems is going to write, that we should discuss the publication of this book at the next Allied Control Commission meeting.

*GENERAL WEEMS:* I agree.

*GENERAL SVIRIDOV:* The second proposition was made by General Edgcumbe that due to the short life of the ACC maybe this whole subject should be dropped.

*GENERAL WEEMS:* Has the Chairman any information as to how long the ACC will last?

*GENERAL SVIRIDOV:* How should I know that? Possibly General Weems has later information about it and then I will be very grateful for any information from General Weems.

*GENERAL WEEMS:* I have no information other than the Treaties are now in the hands of the Foreign Relations Committee in our Senate and it is expected that the Senate will ratify them in the near future. For my information, I would like to know what action must be taken by the Soviet Government to formally ratify the Treaties.

*GENERAL SVIRIDOV:* Our Supreme Soviet is also now in the process of studying the Peace Treaties and preparing for ratification. It is a similar procedure to that of the United States Government. The Supreme Soviet is discussing and studying the Treaties. The question is then not decided yet, not by the United States Government, not by my Government, and not by the British Government. Permit me to go ahead to the next point on the agenda.

*GENERAL WEEMS:* Good.

*GENERAL SVIRIDOV:* The next question is one concerning the deportation of Schwabs from Hungary. I wrote General Weems a letter containing the opinion of the Hungarian Government on that particular subject.

*GENERAL WEEMS:* On what day?

*GENERAL SVIRIDOV:* About five days ago, not less than five days ago. I am sure General Edgcumbe is also interested in the question of this conference due to take place in Berlin during March.

*GENERAL WEEMS:* In General Sviridov's letter, which I have not received, did the Hungarian Government accept the invitation to this conference?

*GENERAL SVIRIDOV:* The Hungarian Government do not understand what questions, and neither do I, will be discussed at this conference and what the reason is for such a conference.

*GENERAL WEEMS:* For the discussion of the general problem of Schwabian expulsion as stated in my letter of the 17th of February. All I want to know is will the Hungarian Government accept the invitation or not.

*GENERAL SVIRIDOV:* The Hungarian Government does not understand the need for this conference because there have already been decisions, arrived at by the Berlin Conference<sup>405</sup> and by the Coordination Committee, that the deportation of Schwabs will continue. Furthermore, there is a protocol or agreement of 22 August 1946<sup>406</sup>, signed by both the Hungarian and the American representatives, and therefore it is not clear as to why such a conference should be necessary. This protocol contained quite a series of agreements about the provision of Reichsmarks, rations, clothing, etc. The Hungarian Government and the Hungarian press are both waiting and expecting the resumption of the deportation of Schwabs.

*GENERAL WEEMS:* But they do not want to participate in a conference to discuss future deportation. Is that right?

*GENERAL SVIRIDOV:* If the aim of this conference is to fix the number of trains and timings and questions of provisions of clothing, money, food, etc., all such questions have already been decided on. That is finished and signed.

<sup>405</sup> FRUS, *The Conference of Berlin, 1945*, vol. II, pp. 1459, 1495-1496, 1511.

<sup>406</sup> See footnote 289.

*GENERAL WEEMS:* In my letter of the 17th of February, directed to the Chairman and asking him to pass the information along to the Hungarian Government, I have set forth very clearly and faithfully the views of the United States authorities in Germany. In that letter I stated that our authorities in Germany further advised that these deplorable conditions still preclude the acceptance of Schwabians or expellees from any other place in an orderly and humane manner; however, they have agreed to meet with Hungarian representatives for discussion of the problem and suggest a conference in Berlin.

*GENERAL EDGCUMBE:* General Weems says that the U. S. authorities say that the deplorable conditions in Germany preclude the renewal of Schwabian deportation. Is that for a definite period or what?

*GENERAL WEEMS:* For the current period, as I understand it.

*GENERAL EDGCUMBE:* It is getting to be a matter of high policy between governments, therefore, I do not believe it is much good for the Hungarian Government to confer with the United States authorities. If there is no hope for many months it is up to the United States authorities to inform the representatives in Berlin of the other countries concerned. I can not see quite myself what this conference will do except to reiterate what is said in the letter. I think it is best to raise it on high government level straight away. We are not in a position to argue. I believe General Sviridov will agree. I do not know the conditions, he does not know the conditions, General Weems does not know the conditions, and I do not know how this should be gotten over to the U. S. authorities in Germany.

*GENERAL SVIRIDOV:* I remember that in November this question was discussed by the Berlin Conference and it was decided to continue the deportation of Schwabs. Furthermore, it was discussed by the Coordinating Council and they also decided that the deportation should continue and all conditions were studied at these two conferences. Therefore, it is not clear to me why they should agree in Berlin and here in Hungary they should stay put and make no move.

*GENERAL WEEMS:* Evidently as set forth in my letter of the 17th of February the conditions have greatly deteriorated since then. A copy of my letter has been furnished General Edgcumbe and General Sviridov.

*GENERAL SVIRIDOV:* In that case a conference between Hungarian and American authorities could not change the situation.

*GENERAL WEEMS:* I cannot say whether it will be able to change the situation or not and I do not know what our authorities in Germany will say to the Hungarian representatives. They merely suggested that they are willing to further discuss the problem with the Hungarian representatives if they want to send them to Berlin.

*GENERAL SVIRIDOV:* In this letter I have written to General Weems several days ago I have expressed the opinion of the Hungarian Government as forwarded to me, and the Hungarian Government does not find it clear or does not understand what can be decided in this conference, and therefore they ask that a more detailed agenda of the conference be furnished.

*GENERAL WEEMS:* I am sorry I have not received the letter General Sviridov refers to and as soon as I receive it I will give it immediate attention.

*GENERAL SVIRIDOV:* That means that until that answer is received, or if the Hungarian Government will require from me what decision has been reached on the

Schwabian movement, I will be able to answer only that so far no decision has been reached as to when the resumption of the movement can take place.

*GENERAL WEEMS:* Correct.

*GENERAL SVIRIDOV:* May we go to the next question, several replies to letters written by General Edgcumbe. First of all in regard to the rubber industry in Hungary. I have received the following information: First of all there is such a concern known as the Hungarian Rubber Factory. According to information received from the Dresden Bank by both the Hungarians and the Soviet element the German interest in this particular concern amounts to 22.7 per cent. That 22.7 per cent is German assets and they have been handed over to the Soviet Government. The second one is a firm known as Böttke Ernő, also a rubber concern. The capital in this particular firm is 100 per cent German, the information being provided by the Hungarian Commercial Credit, therefore, the assets of this firm Böttke Ernő have been transferred to the Soviet Union. But unfortunately this particular firm is not in operation; one might say that the firm does not exist. According to information, 12,000 Pengős belong to a German bank and these 12,000 Pengős or, as I understand, shares to that value, are being handed to the Soviet Government. We are not interested as to who is the owner of the balance of the shares. We have received exactly what was former German property. That is the information I have to give on the rubber industry. There have been no complaints or claims as a result of the transfer of these assets.

*GENERAL EDGCUMBE:* Thank you.

*GENERAL SVIRIDOV:* Furthermore, General Edgcumbe is interested in the firm known as Kender Jutta Textilite. I can only say that the capital of this firm amounts to 5,360,000 Pengős. The owners of the shares are the Guntf Jutta and Textile Industry R. G., Vienna. The German assets were held by Wilhelm Grubelebravant and the German Lender Bank and Creditanstalt Bank. Altogether the German capital in this concern amounts to 55 per cent and this 55 per cent is being handed to the Soviet Union. We learned from General Edgcumbe's letter that 27 per cent of the shares are property of the British. We have never made claim to this 27 per cent British capital and do not intend to appropriate it. We didn't know that there were 27 per cent British interests there but we are not interested. We have received exactly what was formerly the German shares, amounting to 55 per cent. I am advised in a letter that the British authorities should apply to the Allied Commission in Austria for information on this particular subject. It is important for the British to inquire of the Control Commission in Austria because at a meeting held on 4 May 1942 there was no representative of the British shareholders, no proof offered of British investments. The Hungarian Reparations Office does not know to whom the balance of 45 per cent belongs in this particular firm. That is the reason why the British should inquire of the Allied Commission in Austria as to the ownership of the balance of 45 per cent. Has General Edgcumbe any questions on this subject?

*GENERAL EDGCUMBE:* Thank you, General. I noted it down and I have nothing to ask at this moment. Thank you for the information.

*GENERAL SVIRIDOV:* Further replies to General Edgcumbe's letters. The question of Szegedi Kenderfonó, a machinery firm. Several machines were dismantled and handed to Yugoslavia as reparations. The Hungarian Reparations Office is discussing the matter with the Yugoslav Delegation to have this particular plant substituted by

something else for reparations. We sent a letter on this subject to General Edgcumbe on the 15th of February this year, ACC No. 198. The Gas (Electric Company in Budapest. I have received the following information: 33.8 per cent of the capital, amounting to 360,000 Pengós, since 1938 was property of the Germans, property of the German Reichsbank in Berlin. Furthermore, in 1941 the capital of this concern was increased to 4,000,000 Pengós, of which the Germans received shares to the value of 1,000,000 Pengós. In other words 33.8 per cent is equal to 1,360,000 Pengós. Furthermore, the information which I have shows that the Germans did not seize the shares in this concern but acquired them for Austrians who handed them over through purchase. There is no evidence to support the Austrian claim that the Germans seized these shares. The 33.8 per cent has been recognized as German assets and accordingly transferred to the Soviet Union. They are the replies to the various subjects that General Edgcumbe is interested in.

*GENERAL EDGCUMBE:* Thank you. I have several other letters outstanding but I will write General Sviridov about other letters to which I am waiting for replies.

*GENERAL SVIRIDOV:* That completes the agenda.

*GENERAL EDGCUMBE:* Might I raise two more points? One point, General I have written to you asking for certain information about the Hungarian Army and I would be very grateful if I could have that information. I only wrote it on the 27th of February but I find my information is not as complete as I would wish to have and quite naturally we are interested even after the Peace in the Hungarian Government and I hope that the information asked for in my letter No. 2 of the 27th of February will be available in due course.

*GENERAL SVIRIDOV:* As a result of the last meeting when I gave certain information in regard to the Hungarian Army that information was received from the Hungarian Government and I thought at that time covered all the information required about the Hungarian Army, but since there are one or two other items required I shall endeavor to obtain them from the Hungarian Government.

*GENERAL WEEMS:* May I make a recommendation in that respect? I suggest that the Chairman combine General Edgcumbe's letter of the 27th of February and my letter of the 28th of January in which I asked for certain information. Although I received certain information in the last meeting, I did not receive complete information called for in my letter:

*GENERAL SVIRIDOV:* This is primarily covering the Army?

*GENERAL WEEMS:* My letter of the 28th of January requested information regarding Hungarian Army and police, including the Border Police and Political Police.

*GENERAL SVIRIDOV:* On the subject of Police, I believe I have answered General Weems' letter. My answer included also the regulations and laws of the Minister of War covering organizations and setup of the Police organization.

*GENERAL WEEMS:* The only answer I received on this letter was given in round figures at the last meeting. I have not receive an answer to my letter.

*GENERAL SVIRIDOV:* I have written the letter about a month ago, also including excerpts of regulations and rules and laws about the Police. Has General Weems received that letter?

*GENERAL WEEMS:* No, I have not received it.

*GENERAL SVIRIDOV:* This letter was written about a month ago. I have taken into consideration that I have written a letter about a month ago about the Police and feel the subject has been covered. I will check and see what has happened to the letter.

*GENERAL WEEMS:* I will appreciate very much if General Sviridov will furnish the letter.

*GENERAL SVIRIDOV:* This letter was sent about a month ago.

*GENERAL EDGCUMBE:* I do not think I received a copy and would be very grateful for a copy. The next thing I want to ask the General about is the ECITO<sup>407</sup>. I wrote only on the 1st of March and I do not know whether General Sviridov has had time to read my letter asking about this ECITO. The gist of the letter is that there is a meeting of this ECITO in Paris on the 11th of March and the organization has requested information and invited if possible representatives from Hungary, and my Government have asked me to ascertain whether anything is going to be done to meet this request because they understood that the matter had been raised with the governments in Moscow and they asked me to ascertain from the Chairman whether he has had any instructions from the Soviet Government about either sending representatives or any information to Paris on the 11th of March.

*GENERAL SVIRIDOV:* I have no information at all on this.

*GENERAL EDGCUMBE:* Thank you very much. When the General studies my letter perhaps he will let me know further. Has General Weems any information?

*GENERAL WEEMS:* Yes, I have had information but purely informative.

*GENERAL EDGCUMBE:* Might I inform the General of one other point. In view of the approaching ratification of the Peace Treaties my Naval Section is going to close down on the 10th of March so I will no longer have a naval representative after that date. Thank you very much. I have no other points.

*GENERAL WEEMS:* May I bring up our customary last question in the matter of clearances. My letter of the 27th of January asked for clearance for Dr. Simon Papp and his wife to leave for the United States. Dr. Papp is an important official in the MAORT Oil Company and the MAORT American representatives have asked me to expedite as much as possible the clearance for these two people.

*GENERAL SVIRIDOV:* Is he going to the United States permanently?

*GENERAL WEEMS:* He is going there to study some sort of engineering. The next individual is very important. On the 17th of February we wrote a letter asking for the clearance of Mr. Starsen and his party of two or three. I want to mention for the information of the Soviet and British Representatives that Mr. Starsen is a very important person in the United States. He is a candidate for the Presidency the Republican ticket and he is going on a tour of Europe, including Russia. I would like to get information on this matter as early as possible so I can inform him as soon as possible. He is now in Paris.

*GENERAL SVIRIDOV:* I will take care of this as soon as possible.

*GENERAL WEEMS:* The next two I think are probably clerical errors somewhere along the line. In my letter of January 24th I asked for clearance for Mr. Bauer Johannes Henrick, representing the Rockefeller Foundation, and on February 15th I

<sup>407</sup> European Central Inland Transport Organization



asked clearance for Mr. Daniel Lerner. Both of these requests were denied by telephone, one on the 25th and one on the 28th. Since these individuals are American officials coming to Hungary on government business I think there must have been a mistake in estimating who they are. For instance Mr. Lerner is coming here for the Library of Congress on strictly government business. Since the meeting of the ACC was coming up shortly I decided to bring it up at this time rather than write another letter.

*GENERAL SVIRIDOV*: I will check on all these clearances. Are there any more questions?

*GENERAL EDGCUMBE*: I am sure the General will be glad that I am not going to say anything about clearances today.

*GENERAL SVIRIDOV*: I thank you very much. With your permission we will close the meeting.

The meeting adjourned at 16.30 hours.

711.9 Allied Control Commission, Record Group 84, Budapest Legation File; NA, Washington D.C.

#### 44.

*Conference of 20 March 1947*

Minutes of a formal meeting of the ACC where matters relating to of war criminals, Hungarian airfields, clearances, etc., were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

#### NOTES

A meeting of the Allied Control Commission for Hungary was held at 14.15 hours on 20 March 1947 in the conference room of the Soviet Headquarters in Bajza utca, near Andrassy út, Budapest, Hungary.

The meeting was called to order by the Acting Chairman, Lieutenant General V. P. Sviridov, who presided in the absence of Marshal Voroshilov.

Present were: *The United States Representation*: Brigadier General George H. Weems, Colonel John H. Stokes, Jr., Lieutenant Colonel William M. Slayden, Captain Leonid A. Gran.

*The British Representation*: Major General O. P. Edgcumbe, CBE, MC, Air Commodore J. H. Simpson, RAF, Lieutenant Colonel H. P. Whiteford, Lieutenant Colonel P. C. Capron, Captain C. F. Figures.

*The Soviet Representation*: Lieutenant General V. P. Sviridov, Major General I. I. Levushkin, Lt. Col. M. I. Cherkasov.

The discussion was substantially as follows, subject to any discrepancies in the translation from Russian.

Note: No agenda was prepared by the Acting Chairman, but the following proposed agendas were submitted by the British Representation and the United States Representation:

#### *British Representation*

##### 1. *Hungarian Airfields for use after ratification of Peace.*

H. M. Government desire a party of six experts to visit Hungary and discuss agreement with Hungarian Government with regard to ground organization necessary to ensure peacetime safety standards for aircraft landing in Hungary. Letter BMH/208/Air of the 12th March refers, ACC Reference No. 1075.

##### 2. *Article 13 and repairs to damaged buildings in a Dangerous State.*

The British Guardian Assurance Company has received an order from the Hungarian District Manager to commence repairs on property at 19B Bösörményi út, Budapest owing to building being in a state likely to cause danger to the public. Clearly in accordance with Article 13, the responsibility rests with the Hungarian Government. This has been pointed out in my letter BMH/401 (187)/Econ-Fin of the 8th March 1947, and it is desired to know whether the Hungarian Government now fully appreciate their responsibility.

##### 3. *Alleged Hungarian War Criminals.*

The "Magyar Nemzet" of the 4th March stated that the Ministry of the Interior had asked the ACC for extradition of certain alleged Hungarian war criminals from the west, presumably meaning from Austria. It is desired to know whether such an application has indeed been received by the Chairman, ACC.

##### 4. *Requests and Applications by the Hungarian Government to the ACC.*

At the ACC meeting on the 10th February 1947<sup>408</sup>, it was agreed that copies of all requests and applications from the Hungarian Government to the ACC should be sent direct by the Hungarian Government to the British and U. S. representatives. Confirmation is requested that instructions have been issued to this effect.

##### 5. *Report on Hungary for UNO Sub-Committee on Devastated Areas.*

At the meeting on the 4th March<sup>409</sup> the Chairman said that the Hungarian Government required one more week to complete the report. This week has now passed and it is desired to know whether the report is available.

##### 6. *Deportation of Schwabians.*

It is desired to know whether any progress has been made regarding this matter.

##### 7. *ECITO.*

Referring to the discussion at the meeting on the 4th March, it is desired to know whether the chairman has now received any instructions from his Government regarding the meeting of the above organization in Paris, understood to be postponed until 14th April.

#### *United States Representation*

##### 1. *Diaries of Count Ciano.*

This topic was discussed at the last two meetings of the ACC. I recommend that a decision be made in this matter and that the Hungarian authorities be notified accordingly.

<sup>408</sup> See document 42.

<sup>409</sup> See document 43.

2. *Directive to Hungarian Government regarding their requests on ACC.*

This question was discussed in the meeting of 10 February 1947 and the Acting Chairman agreed that a communication would be sent to the Hungarian Government directing that all their requests on the ACC be made in writing and copies of such requests be furnished to all three Powers concerned. I have not received a copy of the directive to the Hungarian Government.

3. *ECITO.*

This question was brought up by General Edgcumbe at the meeting on 4 March 1947. It is desired to know whether representatives from Hungary have been invited and what action the Hungarian Government proposes to take.

4. *Clearance denials.*

I brought to the attention of the Acting Chairman in our meeting of 10 March 1947 my letters of 15 February 1947 and 24 February 1947 in the cases of denial of clearances for Mr. Daniel Lerner and Mr. Bauer Johannes Henrick, respectively. I mentioned the importance which my Government views the work of these gentlemen and asked for the consideration of the Acting Chairman in the matter. In the original denial of clearance no reason was given. A few days after our last meeting a member of the Soviet Staff talked to my Liaison Section and stated that the clearances were denied but still failed to give any reason. My Government would like to know the reasons for denials in these cases.

5. *Police under control of Minister of the Interior.*

In a recent speech in the House of Parliament commenting on the appropriations for the Ministry of the Interior, a Deputy mentioned that of the 70 leading Budapest police officials 92.8 per cent are Communists or Socialists and only 4.3 per cent are Smallholders. He further stated that less than 10 per cent of the 6,779 police are members of the majority Smallholders Party<sup>410</sup>. I desire to verify these figures and to inquire of the Hungarian Government why so large a percentage of minority parties are represented in the police forces.

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*GENERAL SVIRIDOV:* The first question on the agenda is one by both General Edgcumbe and General Weems, in connection with the receipt of letters or requests from the Hungarian Government by the ACC. In this respect there appears to be a certain amount of misunderstanding or misapprehension. At a meeting on the 10th of February<sup>411</sup> the question arose about the resumption of diplomatic relations between Hungary and Austria. At that meeting General Edgcumbe and General Weems requested that a copy of the letter of request for the resumption of diplomatic relations be sent to them, that is to say, when I received it, and that I agreed to. I have checked

<sup>410</sup> In December 1946 a survey was prepared by US Minister in Hungary Arthur Schoenfeld 1946 on the extent of Communist control of administrative positions in the Hungarian Government. According to the findings, the Communists held 31.6% of these positions, Social-Democrats 27% and the Smallholders' Party, who had won a majority of 57% in the General Elections of 1945 obtained just 16.4% of the administrative positions. This disproportionate representation was even more striking in the case of the Ministry of the Interior where 73.3% of the key positions were occupied by leftist officers (33.3% Communist, 36.6% Social Democratic, 3.3% National Peasant Party) and Smallholders possessed just 6.6% (20% of the officers were unknown politically). (It should be noted that data was supplied by the Smallholders therefore it might have been biased.) FRUS, 1946, vol. VI, pp. 350-354.

<sup>411</sup> See document 42.

up on the minutes of that meeting and I find that that is how the matter was left. I then said that requests from the Hungarian Government for the resumption of diplomatic relations should be sent to General Edgcumbe and General Weems. I have sent no copies since then because since the meeting of the 10th of February there have been no such requests, and the reason probably is that Hungary has resumed relations with the entire world. However, judging by the letters concerning the agenda for today's meeting that I received both from General Edgcumbe and General Weems, this issue is raised in quite a different manner. As I said before, there is some kind of misunderstanding or misapprehension because the entire question was discussed and agreed to at the meeting of February 10th, so I think that there must be some sort of misunderstanding or some sort of lack of coordination in this respect. On the agenda the issue is placed in the following manner: that all communications, no matter of what nature, copies be sent directly to both General Edgcumbe and General Weems. That is the way the question is placed on today's agenda. I would like to ask General Edgcumbe and General Weems whether they have understood me correctly and whether I understood them correctly.

*GENERAL EDGCUMBE:* I certainly understood from the notes of my meeting that General Weems suggested, after the discussion about diplomatic relations, that copies of all letters or applications from the Hungarian Government to General Sviridov be sent, irrespective of the subject, to General Weems and myself in order that we might know what applications were coming in to avoid further misunderstanding. It was for that reason I raised the point, to get confirmation whether the General had issued instructions about it, so evidently there is a misunderstanding.

*GENERAL SVIRIDOV:* Well, we have a witness and perhaps it was I who turned the issue topsy-turvy. If that is the way it is, please tell me about it.

*GENERAL EDGCUMBE:* General Weems raised the point. I think, at the meeting on the 10th.

*GENERAL WEEMS:* My notes for that meeting are similar to that indicated by General Edgcumbe, and if I recall correctly it was brought up in connection with the resumption of diplomatic relations, in which General Sviridov mentioned that he had received a letter from the Hungarian Government on that subject, and since there was a difference of opinion, as indicated by the notes of the meeting, I made the suggestion that in all communications to the Chairman of the ACC, copies be furnished both to the British and to the Americans in order that General Edgcumbe and I may be informed as to what requests are being made.

*GENERAL SVIRIDOV:* It is clear to me. I thank you very much. Well, we have been working together for about two years and during this period of time all correspondence was addressed to the Chairman of the ACC or his Deputy. This procedure is authorized and accounted for by the organizational document which set up the ACC, namely paragraph 6, subparagraph f, which says, to correspond with or get in touch with the organs or with the organizations of the Hungarian Government through the Chairman of the Commission or the Deputy Chairman, and the chief of the department in question." I think that we shall adhere to the document which set up the ACC until the end of our life span, which may be only ten or fifteen days more.

*GENERAL WEEMS:* Do you refer to the Statutes of the ACC?

*GENERAL EDGCUMBE*: I think the letter of August 1945 that amended the Statutes<sup>412</sup>.

*GENERAL SVIRIDOV*: That is right. The change in August 1945.

*GENERAL WEEMS*: I would like to make the observation that that particular paragraph applies to the procedure by which the British and the American Representatives may procure information from the Hungarian Government, and not to communications from the Hungarian Government to the Allied Control Commission.

*GENERAL SVIRIDOV*: This covers all correspondence conducted by the ACC and the Hungarian Government.

*GENERAL WEEMS*: The first part of the paragraph reads as follows: "During this period the representatives of the United Kingdom and the United States will have the following rights"... a, b, c on down to f, which you have just quoted.

*GENERAL SVIRIDOV*: That is right. They have the right to communicate with the organs of the Hungarian Government through the Chairman of the Commission.

*GENERAL WEEMS*: But that does not seem to me to apply to a directive to the Hungarian Government which the ACC might want to give telling them that any requests that they want to make on the ACC, copies be furnished to the British and the American Representations.

*GENERAL SVIRIDOV*: The meaning of the paragraph is very clear, and if General Weems must get some information of some sort then he gets in touch with me and I transmit the request to the Hungarian Government. All this is done very quickly and very simply, and there has been no case on record when I failed to do so. In general, there has been no concealment; everything has been done above board.

*GENERAL WEEMS*: I appreciate what the Chairman says, but I am afraid we are again getting off the issue. The point at issue is that I desire that communications from the Hungarian Government to the Chairman of the ACC, copies be furnished to me by the Hungarian organ or the Hungarian Government.

*GENERAL SVIRIDOV*: Well, to simplify the matter than, General Weems wishes to have copies of all documents and all correspondence that the Hungarian Government addresses to the ACC.

*GENERAL WEEMS*: That' right.

*GENERAL SVIRIDOV*: But I regret very much to say that such a procedure is not authorized, is not accounted for, by the ACC Statutes. However, I must again say that in no case did it happen that when General Weems requested certain communications that he did not get them. That is the way it was in the past and that shall be the procedure in the future. Whenever any document interests General Weems or General Edgcumbe, they shall get that document without any delay, but there is absolutely no sense in transmitting in that manner the entire correspondence, because after all that was the procedure up to date and no inconvenience was occasioned by it.

*GENERAL EDGCUMBE*: I think that General Sviridov is perfectly correct-actually that the spirit of that is that things have got to go through him either way. It would only be a matter of convenience for him and to us, if he issued orders to the Hungarian Government to send us copies, but I do feel that the matter merely rests

with him. I feel that General Sviridov is quite correct in what he says, and it is a matter of whether he considers he can meet our convenience or not.

*GENERAL SVIRIDOV*: Personally, I think that the procedure that we had, and it was not at all a bad procedure, should remain in force. Now what does that procedure mean? It means that the entire correspondence which was of peculiar interest to General Edgcumbe or General Weems was transmitted to the General concerned. That is the way it was conducted before and that is the way it will be done in the future. Correspondence that is of interest to both Generals will be in their hands without delay. I think that is the correct thing to do. In other words, it is just as the Statutes say - general correspondence goes to the Chairman of the ACC and matters that interest General Edgcumbe or General Weems are transmitted to the General in question by me. I believe that now we are all clear on this issue. Is it really worthwhile for us to discuss this point now any further?

*GENERAL WEEMS*: I am willing to drop the question at this time in order that I may be able to study further the notes of the last meeting and the Statutes of the ACC, as well as the Armistice Agreement.

*GENERAL SVIRIDOV*: All right. Thank you.

The second question on the agenda has been tabled by General Edgcumbe and General Weems. It concerns ECITO, which is European Central Inland Transport Organization. I am very grateful to General Edgcumbe for the information contained in his letter that states that the commission meeting has been postponed to April 14th. As far as I am personally concerned, I have no directives on that matter: I contacted the Hungarian Government to find out from them what information they have about the commission or concerning the proposed meeting and I have received the following answer: I have found out that the distribution of transport, mainly railroad transport among the Danubian States, has not as yet been completed, so the Hungarian Government has no valid information on it and therefore cannot supply this information. However, when the distribution will be completed then the Hungarian Government will be in possession of the required information. That is what I can report concerning this issue.

*GENERAL EDGCUMBE*: Might I ask, General, whether there is any proposal to permit a representative from the Hungarian Government, from the Ministry of Communications<sup>413</sup>, to attend the meeting in Paris, not provided with full information because you say they have not got it, but in order to listen in and hear what the proposals are and be in a better position of returning to this country to be able to provide what information ECITO will require for their work in the future?

*GENERAL SVIRIDOV*: I am sorry to say that the Hungarian Government has not taken such a decision as yet, however, I shall transmit to the Minister of Communications General Edgcumbe's suggestion.

*GENERAL EDGCUMBE*: Thank you, General. I would like to add that our three Governments are all signatories to the agreement for ECITO, and I would suggest that it should be our duty to urge the Hungarian Minister of Communications to send a representative because ECITO is an organization which is helping in the reconstruc-

<sup>412</sup> For the entire text, see Appendix F.

<sup>413</sup> Ernő Gerő

tion of Europe, and we all know how important the reconstruction of communications in Europe is.

*GENERAL SVIRIDOV:* I am very grateful to General Edgcumbe and I shall have a conversation about that, and in that sense, with the Minister of Communications, and if the occasion will present itself I shall also talk about it with the Prime Minister.

*GENERAL EDGCUMBE:* Thank you.

*GENERAL WEEMS:* I am afraid I did not get clearly what General Sviridov said. Did he say that the Hungarian Government has had an invitation to send representatives or not?

*GENERAL SVIRIDOV:* That I shall find out too. I will tell him about the conference scheduled for the 14th of April. I shall also tell him about the suggestion made by General Edgcumbe. I shall also tell him that it would be reasonable and sensible for the Hungarian Government to have a representative there.

*GENERAL WEEMS:* Very good.

*GENERAL EDGCUMBE:* Thank you very much.

*GENERAL SVIRIDOV:* The next point on the agenda was brought up by General Weems in connection with clearances or permits to enter for Mr. Henrick and Mr. Lerner. Of these two, Mr. Henrick wishes to come to Hungary to study the state of health of the Hungarian population, and not of American citizens who are in Hungary, while Mr. Lerner wants to come here in order to acquire material for the Library of Congress. The Commander of the Occupational Forces does not think that these reasons are so important as to warrant an immediate issue of clearances. To get this information, or to obtain what they want, they might as well come to Hungary after the Peace Treaty has been ratified. However, since General Weems makes a point of it and insists on it and raises the issue again, I am going to have another conversation with the Occupational Forces Command about it, and I shall most certainly transmit to the Command the arguments which were brought up by General Weems.

*GENERAL WEEMS:* Thank you.

*GENERAL EDGCUMBE:* As we are talking of clearances, may I now talk about them, please General. I have been instructed to raise the question again by my Government because they are very concerned because so many clearances have been refused. I give you a list of refusals since January, also a copy to General Weems. Two classes of people again are concerned, trade representatives and certain compassionate cases. My Government have instructed me to say, or repeat once again what they have said before, namely in the case of trade representatives. All these trade representatives apply through my Government, who consider that they can help the economy of Hungary and Great Britain by coming here, and they do not accept the explanation that the Hungarian Government say that they do not think that these trade representatives can arrange any trade here. My Government take the view that the trade here is on an individual and private basis to a large extent, and they hold that until these trade representatives are able to come to Hungary and actually visit the firms it is quite impracticable for the Ministry of Commerce or for any official in the Hungarian Government to say quite definitely that there is no trade. Therefore, I am to request the General that you should go through this list again with the Commander of the Occupying Forces and reconsider the applications of these trade representatives. As regards to compassionate cases, my Government takes the view that the numbers

we ask for are small. The reasons are given and the cases pass through my Government and in many cases it is to visit or try and find relatives who haven't been heard from or seen in several years, and my Government take the view that there can be no security reason to justify refusal of these persons to come here. Further, that although it is well known that the economic situation of Hungary is not too good, the visits of some fifteen or twenty persons will not materially affect the amount of food in Hungary. That being so, I would request that you have these cases reviewed in the light of my observations. Might I also add that I am sure the General realizes that we never put in an application without what we consider a good reason, and apparently the Commander of the Occupational Forces is always thinking that people are coming here just to amuse themselves. However, all these cases have some good reason for visit in Hungary now in my Government's opinion and not waiting until later on. I feel quite sure that the General is just as tired of this subject as I am, but I do ask him to give it his careful consideration again.

*GENERAL WEEMS:* I should like to add that I have a list similar to that of General Edgcumbe's in which for the month of February and half of March there were 48 denials, of which 22 were trade representatives, 11 welfare representatives and five U. S. Government service, and I shall write a letter to General Sviridov and ask for the same consideration for my Government as General Edgcumbe has requested.

*GENERAL SVIRIDOV:* I give my word to General Edgcumbe and General Weems that I shall once again look through these lists and will again raise the question with the Occupational Forces and shall insist on the issue of these clearances. But I beg you to take into consideration this - that, and I said so many times, in several other countries there is an occupational regime. For example, in Austria, in Italy, in Germany in Japan, etc., and the occupational regimes in these countries are much more severe much more strict, than it is here. According to the conditions of such regimes, and as long as such regimes exist, there can be no question of free entry to any one who wishes to enter a given country in which such a regime exists. But once again, this regime will come to an end and then it will be up to the Hungarian Government to decide who is to come in and who is not, as they wish, but as long as such regimes exist, not only here but in Italy, Germany and in Japan, we have to take into consideration the existence of such a regime. Here in Hungary, before we report a desire of a representative of a given country to come in, we study very carefully and very seriously just how important his visit will be to all of us who are concerned in it, and if we find that the reasons are really weighty and really important to all of us, then such a permit is always granted. Why are there more denials during the period from January to March, as General Weems says? The explanation is quite a simple one. It is because we get many more requests, we get about twice as many requests now than we used to get before. If you want to talk about numbers and figures, and I have them, I would like to say that in February we issued 67 clearances to United States citizens and 64 clearances to citizens of Great Britain. Now if we take January, there were 79 clearances issued for United States citizens and 77 for British. These figures show that we were able to obtain from the Occupational Command during the months of January and February more clearances than in any other given month in 1946. There is another remark that I wish to make in connection with these numbers, namely that during the months of January and February there were 137 clearances

to depart issued for United States citizens and 69 clearances to depart for the same period for citizens of Great Britain. In other words, as far as citizens of the United States are concerned about as many of them came in as departed. However, as far as British citizens are concerned, 141 arrived and 69 departed, and this situation is not quite clear to me. Why do the British dally for so long in Hungary?

*GENERAL EDGCUMBE:* I would have to check that, but my staff officer says that he does not think that is really the true picture because many go by means not checked – by road or by rail, and there is no check made.

*GENERAL SVIRIDOV:* I want to add that clearances to depart are issued without any hindrance at all.

*GENERAL WEEMS:* Recently, on the 27th of February, we asked for clearance to depart for Mr. Simon Papp and Mrs. Papp to go, on business for the MAORT Oil Company, to the United States. This clearance for him to depart was denied. The request was to depart only.

*GENERAL SVIRIDOV:* But he is a Hungarian citizen.

*GENERAL WEEMS:* He is a Hungarian citizen employed by an American firm. He had his passport all cleared, everything ready except clearance by the Soviets.

*GENERAL SVIRIDOV:* Who issued the passports?

*GENERAL WEEMS:* He had all of his papers – the Minister of Foreign Affairs<sup>414</sup> issued his Hungarian documents.

*GENERAL SVIRIDOV:* I am sorry about that, General Weems, and I am going to look into the matter because I know Mr. Papp personally. He is a professor of geology and a specialist in oil. However, I do not know how the MAORT people will be able to get along without him – they will probably have to close shop.

*GENERAL WEEMS:* I know he is a very important man in their business.

*GENERAL EDGCUMBE:* I do not understand these figures I must say, but I know some well known man who once said figures can prove anything. All I ask the General is, in spite of the figures, to try to see if he can persuade the Occupational Forces to let more of our people in.

*GENERAL SVIRIDOV:* Once again I give my word to General Edgcumbe and General Weems that I shall insist for these clearances, but on the other hand I also wish to point out that the numbers of clearances issued is quite considerable.

*GENERAL EDGCUMBE:* Thank you very much.

*GENERAL SVIRIDOV:* Will you allow me to finish with this point?

*GENERAL WEEMS:* Yes.

*GENERAL EDGCUMBE:* Please.

*GENERAL SVIRIDOV:* The next point was placed on the agenda by General Weems, concerning the Hungarian Police, which is under the direction or control of the Ministry of the Interior. However, there is no other kind of police in Hungary anyway. General Weems wants to get some precise information, through the Hungarian Government, as to why such a large percentage of policemen are Socialists, and particularly in Budapest, where according to General Weems' information, 92.8 per cent of policemen are Socialists. I would like to tell General Weems that his letter concerning this point which interests him will be immediately transmitted to the Hungarian

<sup>414</sup> János Gyöngyösi

Government. General Weems apparently wishes to have some more precise information on these figures and I should be very happy to transmit a letter from General Weems, containing such a query, to the Hungarian Government.

*GENERAL WEEMS:* Very good.

*GENERAL SVIRIDOV:* The next point on the agenda was tabled by General Edgcumbe, concerning the dispatch into Hungary of a group of experts to study the security of landings for Hungarian airfields, with the object of using such Hungarian airfields for British purposes. The landing fields will be used by British planes which will probably proceed to India or some other place. That is my understanding.

*GENERAL EDGCUMBE:* I think it is principally coming in from say Vienna or coming in from London. I do not know about any desire for them to go on. I do not know about any wish to use this place as an intermediate stop. To come to, not pass through Hungary.

*GENERAL SVIRIDOV:* In that case I will have to beg your pardon because apparently I could not understand that from General Edgcumbe's letter. Are the experts to come here to inspect the planes?

*GENERAL EDGCUMBE:* No, the experts are to discuss with the Hungarian Government what arrangements are technically necessary in order that the ground organization may give the maximum safety precautions which are known in peace. Six experts have been nominated. I have given the names already, and we gave the particulars of the technical work in which they are interested. The intention is that they should come here and discuss with the Hungarian Government what technical arrangements are necessary so that as soon after Peace as possible arrangements can be made with the Hungarian Government for safety precautions.

*GENERAL SVIRIDOV:* Possibly General Edgcumbe has in mind to discuss with the Hungarian Government a treaty in connection with safety measures for landing of aircraft.

*GENERAL EDGCUMBE:* An agreement for safety measures for the landing of aircraft.

*GENERAL SVIRIDOV:* I discussed this point with the Hungarian Government and their point of view is that the Hungarian Government knows that since the Peace Treaty is not yet in force, therefore, they have no decision whatever concerning this matter. It seems to me that as long as General Edgcumbe or Mr. Helm<sup>415</sup> are here in Budapest already, here on the spot, they could reach a sort of preliminary agreement with the Hungarian Government concerning a final agreement which would take effect after the Peace Treaty has been ratified. Then when these conversations will take definite form it will be, of course, absolutely necessary for the experts in question to come in and to make arrangements for the final agreement, but since no preliminary agreement has been concluded and since, as a matter of fact, this issue was not at all discussed with the Hungarian Government, it seems to me that the arrival of the above mentioned experts at this time would be premature.

*GENERAL EDGCUMBE:* The point of view of my Government is that in anticipation of the Peace Treaty being ratified at a fairly early date, they wish these technical experts to come and discuss these matters quite beyond anything that either

<sup>415</sup> Alexander Knox Helm, British Minister Designate to Hungary.

I could put up or Mr. Helm could put up. My Government quite naturally want to start discussions on these technical matters at the earliest possible date because it is quite probable that the discussions might take some time, or equipment may have to be provided which may take some time to provide, and they do not wish any delays after ratification of Peace. All they ask is that there be no delay for these six experts to come in so that they can start discussions with the Hungarian Government at the earliest possible date. I might add that all I or Mr. Helm could do is write a letter, through the Chairman, to the Hungarian Government to say that we wish these experts to start these discussions at the earliest possible date. I could not give anything beyond that.

*GENERAL SVIRIDOV:* If the Hungarian Government should agree to it, then everything will become clear. It will be clear that the experts are necessary here.

*GENERAL EDGCUMBE:* Then General Sviridov advises me that in order to get these experts in I should write to him and ask him to pass on a letter to the Hungarian Government saying that we want these experts to come in for discussions as soon as possible?

*GENERAL SVIRIDOV:* That is quite right.

*GENERAL EDGCUMBE:* Then you will do everything you can to give me the clearances as soon as possible?

*GENERAL SVIRIDOV:* Yes. Certainly.

*GENERAL EDGCUMBE:* All right, I will write a request to be passed on to the Hungarian Government.

*GENERAL SVIRIDOV:* The next point has been tabled by General Edgcumbe. It concerns a house in Budapest on Böszörményi út, No. 195. The house apparently threatens to tumble down and endangers the lives of its occupants. I have sent a special officer to inspect that house and also to talk about it with the Hungarian Reparations Office. We got some more information on that and first we found out that the house is not 195 but 19-B. Apparently this was a mistake in translation.

*GENERAL EDGCUMBE:* Yes, 19-B.

*GENERAL SVIRIDOV:* Well, that is the fault of the translator. This officer wrote a report to me about this house in which he said that the house had been damaged by military action, that a lot of rubble and rubbish has collected on the upper stories and the weight of that rubbish threatens the house. In the Reparations Administration a certain Dr. Semsey stated that the cost of repairs to the house will total approximately 100,000 Forints, and they have decided to remove the rubble from the various stories, but for the time being they have decided not to repair the house but will remove the rubble in order to eliminate the danger of the ceilings breaking through. To the question why they do not want to repair the house, Dr. Semsey said that they were awaiting the decision on restitution of losses. When this question will be decided as to restitution of losses, then they will repair the house. My officer also checked on this house in the Municipal Administration and with the Mayor<sup>416</sup> to find out whether the repair of that house is included in the general plan for reconstruction of the City of Budapest, and he found out that this particular house was not included in such

<sup>416</sup> József Kővági

plan. Any further action, of course, depends on a decision or action of the British Representation.

*GENERAL EDGCUMBE:* Thank you, General. I would just like to make quite clear that I thank you for what you have done, which is exactly what I wished for. I raised the question because the local Hungarian district people were ordering the British company and threatening them if they didn't place the house in a safe state to avoid danger. Now they realize they must remove the rubble and will do so. This satisfactorily settles the question and I am grateful to the General.

*GENERAL SVIRIDOV:* The next point was placed on the agenda by General Edgcumbe concerning some information published in the newspaper called "Magyar Nemzet", issue of 4th of March, which stated that the newspaper published a story or an article according to which the Hungarian War Ministry has requested through the ACC extradition of certain war criminals from Austria. This communication is quite correct. The Minister of the Interior and the Minister of Justice<sup>417</sup> actually are currently working or preparing a list of war criminals which they will transmit to the ACC. They plan to request that this list be transmitted to the Allied Commission in Vienna and they want to ask that this Commission take action for the extradition of these war criminals. In this matter, the final decision of this question rests with the Allied Commission in Vienna. That is what I have found out concerning this point and what I have to report at this meeting.

*GENERAL EDGCUMBE:* Thank you. So far they have not actually transmitted any application to you?

*GENERAL SVIRIDOV:* No, not yet, but they are preparing this list. I have asked them and I found out that this list was in the process of preparation.

*GENERAL EDGCUMBE:* This shows how inaccurate the Hungarian papers are because they said the list had been transmitted. Thank you, and we now await the lists. You await the application, which you will inform us of?

*GENERAL SVIRIDOV:* Yes.

The next question concerns a report to a UN Sub-Committee on the devastated regions in Hungary. It seems to me that this point appears at least for the fifth time on the agenda. I have likewise sent a special officer to the Prime Minister to find out definitely, once and for all, whether such a report on the economic conditions in Hungary will actually materialize. In accordance with a directive of the Prime Minister, Dr. Balogh István has sent me a letter dated the 17th of March. Perhaps someone here knows Hungarian and could read that letter. Anyone able to do so? (Colonel Capron of the British Representation translates the letters, as follows):

The Deputy Chairman of the Allied Control Commission in Hungary.

Dear General:

As I have already had the honor to inform you, I instructed the Ministry of Finance to prepare a report for the Sub-Committee of the United Nations about the economic position of this country. In connection with the wide diversity of material and the responsibility in connection with this question, the Minister has not been able to cope with this work by the required date. The fact that the Minister of Finance has changed frequently is perhaps responsible for the delay. But I shall again take

<sup>417</sup> László Rajk and István Rics respectively.

steps to hurry the preparations of this report and will draw attention of the Finance Minister to this. I apologize for the delay and would request you to inform the British and the American Representatives of the reasons for this delay.

*GENERAL EDGCUMBE:* May we have a copy of that letter?

*GENERAL SVIRIDOV:* Yes. All right.

The next point on the agenda was also tabled by General Edgcumbe and that is concerning the Schwabian migration. I should like to ask General Edgcumbe to further define this point.

*GENERAL EDGCUMBE:* I merely want to know from General Weems whether any progress has been made in the arrangements for the Hungarian Government to meet the American authorities in order to find out what the possibilities of the resumption of deportations are.

*GENERAL WEEMS:* In my letter of February 17th, a copy of which was furnished to General Edgcumbe, I mentioned that the United States authorities in Germany had advised me that the shortage of food and housing and the poor health and employment conditions prevailing in Germany have been aggravated during the winter months by the fuel shortage, shutdown of industry, consequent drain on transportation and inability to return the large number of refugees from the area east of the Oder-Neisse line. They further advise that these deplorable conditions still preclude the acceptance of Schwabians, or expellees from any other place, in an orderly and humane manner. In addition to that, in my letter of March 6th, I stated, through the Chairman to the Hungarian Government, that I was unable to inform them when the United States authorities contemplate the resumption of the Schwabian expulsion. I assure you that I informed the United States Government authorities in Germany of all the developments in this case, and as soon as I receive information I shall pass it on to the Hungarian Government, through the Chairman of the ACC. I have, in addition, a bit of information which I would like to inform the members of the ACC. I am sorry I didn't have this made in three copies so I could furnish it to each of the other Members. I shall read it in English:

"A report of the Directorate of Prisoners of War and Displaced Persons dated 28 February 1947 states:

"Organized expellee movement into the four zones of occupation continues to be suspended. Reports received by CRX indicate that many expellees are infiltrating into all zones of Germany. On 17 February the Allied Control Council for Germany made a report to the Council of Foreign Ministers. In this report the British Member states that the effects of the forced transfer of large numbers of German expellees into the devastated U. S. /British occupied parts of Germany are producing a situation which is potentially most dangerous. This is caused partly by the fact that these transfers are being completed while the agreement to treat Germany as an economic whole has not been fulfilled, although it is a necessary corollary to these transfers.

The British Member also further considers that the adjustment of the overcrowding of the British and U. S. occupied parts of Germany is a matter which should be seriously considered in the preparation of any Peace Treaty."

I will have a copy of this made for the other Members of the ACC.

*GENERAL SVIRIDOV:* The British Member spoke only about the British Zone.

*GENERAL WEEMS:* No, he spoke of both the British and the American Zones.

*GENERAL SVIRIDOV:* But to state the matter simply, will the Schwabians be transferred or will not they?

*GENERAL WEEMS:* I am sorry I cannot give an answer.

*GENERAL SVIRIDOV:* The issue should be decided. Will they or will not they?

*GENERAL WEEMS:* I doubt whether the ACC in Hungary can decide whether the American Zone in Germany will accept them or not. As mentioned in my letter, the Soviet Zone and the Polish Zone continue to refuse to accept displaced persons belonging to the area east of the Oder-Neisse Line, and that is one reason for the crowded condition in the American Zone. I would also like to repeat the report of the Directorate on the 28th of February which says that the organized expulsion movements into the four zones of occupation continues to be suspended, so apparently suspension to all organized movements applies to all four zones in Germany. I would like also to mention that as soon as I get instructions or information from our authorities in Germany, I shall pass it on promptly to the other members of the ACC and to the Hungarian Government.

*GENERAL EDGCUMBE:* It seems to indicate, from the matter we have just read, that the matter is being put up to the Foreign Ministers, or being recommended, so it does look like it is being put up on higher level as I recommended at a former meeting. I thank you very much.

*GENERAL SVIRIDOV:* I would like to ask, General Weems, if the conference about which we talked during our last meeting, namely the conference between the American military authorities in Berlin and the Hungarian representatives, is it still necessary or is not it?

*GENERAL WEEMS:* It is entirely up to the Hungarian Government. If they wish to attend this conference, they are permitted to.

*GENERAL SVIRIDOV:* I asked this question for the simple reason that the Hungarian Government asked me whether it would be possible to arrange such a conference here in Budapest with the attendance of military authorities from Berlin, General Edgcumbe, General Sviridov and General Weems, and representatives of the Hungarian Government.

*GENERAL WEEMS:* It is my opinion that the United States authorities in Germany would not agree to that procedure, since a conference was held here last summer which strung out for more than three weeks before we could reach an agreement.

*GENERAL SVIRIDOV:* If actually this question, as General Edgcumbe thinks, has been transmitted to the Council of Foreign Ministers, then there is no reason to discuss it here.

*GENERAL WEEMS:* That is correct.

*GENERAL SVIRIDOV:* I wish to inform you about the reply of the Prime Minister in regard to some British properties. On the basis of this information, I will give orders that these properties be stricken from the list of confiscated properties.

*GENERAL EDGCUMBE:* Thank you very much. As you mentioned British properties, General, I wrote on the 15th of March my letter No. 401-C, giving you a list of outstanding properties affected by Article 13. This is no doubt very tiresome for you, for me, and for the Hungarian Government. I was wondering if it would possibly help matters instead of discussing it here, if I could send along my financial

or economic representative, to meet with one of your representatives, and try and find out what is happening because it is very tiresome to both General Sviridov and myself having to correspond on these very little points about properties. It might clear the whole matter up for one of my staff officers to meet one of your staff and go over the matter. I do not want to waste time in the meeting discussing any of them now.

*GENERAL SVIRIDOV:* I have no objection to that.

*GENERAL EDGCUMBE:* Thank you very much.

*GENERAL SVIRIDOV:* It seems that all the questions have been discussed.

*GENERAL WEEMS:* I would like to know what decision has been made in the case of the No. 1 point on my agenda, the Diaries of Count Ciano.

*GENERAL SVIRIDOV:* I can inform the General on that. On this point I asked the opinion of Marshal Voroshilov and I directed my inquiry to him. You thought that the book was a useful one and should be published and my opinion was to the contrary. I thought that the fascist author should not be popularized, so therefore I asked for the opinion of Marshal Voroshilov and I would like to resume the discussion of this book after I get Marshal Voroshilov's opinion. We have already talked about this point twice and could not reach an agreement and it seems to me that it is rather pointless to discuss the question for the third time and again fail to reach any agreement. Therefore, I have asked the boss of the ACC about it, and once in receipt of his opinion I shall place this point on the agenda myself and immediately. I trust that General Weems remembers that Article 16 of the Armistice states that the issue of publications and dissemination of all literature is to be coordinated by the Hungarian Government with the Occupational Command, and the Hungarian Government did not say a single word about that book – no one mentioned a word about it.

*GENERAL WEEMS:* In what connection?

*GENERAL SVIRIDOV:* They never expressed their opinion one way or the other about it – they didn't say yes, we want to have this book published and distributed or no, we do not want the book published and distributed.

*GENERAL WEEMS:* The information given at the first meeting when we discussed it, as I recall, a member of General Sviridov's staff called up the police and asked why they allowed publication of the book, thereupon they suppressed the publication of the book. Is that right?

*GENERAL SVIRIDOV:* When the point was raised by General Weems, I asked the Hungarian authorities, namely the police, about it and I received an answer that the book was removed from sale and the publication of the book was suspended. That was done by the Hungarian police.

*GENERAL WEEMS:* For information of the members of the ACC, I wish to point out that the publisher of this book submitted to the Hungarian authorities the manuscript of the book and had it returned approved and later on had the second copy returned approved for publication, so I think it can be stated that the Hungarian Government does not object to the publication of the book since they authorized it in the first place.

*GENERAL SVIRIDOV:* Where did he send his copies to?

*GENERAL WEEMS:* He sent it to the Hungarian authorities who authorized publication of the book – the Hungarian censorship committee, which at that time was a section of the Prime Minister's Office and was headed by Dr. Domokos Torma,

Ministerial Section Chief. In early November the proof was returned by the Censorship Committee to the publishing company with the endorsement that publishing permission was granted.

*GENERAL SVIRIDOV:* Well, it is simply this – This committee forgot about the existence of the ACC.

*GENERAL WEEMS:* How about Romania – it is published there?

*GENERAL SVIRIDOV:* I would like to say this to General Weems, that this point has been brought up for the third time at our meetings and our views still diverge. My opinion is that we cannot afford, we cannot create, a popularity for a fascist author. It seems to me that there is no need for it. Your opinion, however, is that the book should be issued and placed on sale. Now so far as the Hungarian Government is concerned, the ACC has received no word from the Hungarian Government about that book. So the question remains open, and therefore I asked the Chairman of the ACC, Marshal Voroshilov, for his opinion, and as soon as I receive it I shall report it to the entire membership of the ACC.

*GENERAL WEEMS:* I would like to make one more observation. I recognize it as a function of the ACC to see that there is no Fascist propaganda as such, published in Hungary. It is not the function of the ACC, as I view it, to censor or permit the publication of books, but merely to prevent the publication when they once come under our purview. In this particular case the book has been published in seven European countries and is in the process of being published in four more European countries, and in addition in all the Western Hemisphere. Therefore, in view of this wide circulation, it seems to me that this ACC would be subject to much criticism if we prohibited a book that receives such a wide publication throughout the world.

*GENERAL SVIRIDOV:* With your permission, Colonel Capron will translate Article 16 [of the Armistice Agreement].

(Colonel Capron of the British Mission translates):

Article 16 says that publication and the introduction and the distribution in Hungary of periodicals and other literature, the presentation of theatrical spectacles, films, the work of wireless, stations, the post, telegraph, and telephone, is carried out with the agreement of the Allied (Soviet) High Command. See Appendix to Article 16. Appendix to Article 16 says the Hungarian Government undertakes that wireless communications, telegraph and post correspondence in cipher and communications by courier, also telephone communications with foreign countries by Mission, Embassies and Consulates which are located in Hungary, will be established in accordance with the rules and regulations laid down by the Allied (Soviet) High Command.

It seems to me that the writing is very clear. All this business has to be coordinated between the Hungarian Government and the Soviet High Command. Apparently the Hungarian Press has made absolutely no attempt to coordinate this point. Let the Hungarian Press or the Hungarian Ministry of Propaganda contact the ACC.

*GENERAL WEEMS:* How about the Athenaeum Publishing Company? Would that be satisfactory?

*GENERAL SVIRIDOV:* I have already expressed my opinion about this matter. I have also asked for Marshal Voroshilov's opinion, which I do not yet know. However, there is no question that the parties interested in publishing this book should address



themselves to the ACC. What happened? They ignored the ACC; they started to publish the book and then they find themselves in a difficult position.

*GENERAL WEEMS:* During my time with the ACC I have never heard of the application of a publishing company or the Hungarian Government to publish a book, and I am confident there have been many published since I have been here, and it seems to me that the Hungarian Government, over which the ACC has some control, properly set up a censorship committee to decide whether a book should be or should not be published.

*GENERAL SVIRIDOV:* In all doubtful questions they always turn to the ACC for opinion. We try not to meddle with the Hungarian Press; we try to uphold, as a matter of fact, the freedom of the Press, but as I said before in all doubtful issues they turn to us for opinion, and it seems to me that when they are publishing a book by a fascist author they should have come to us, for our opinion.

*GENERAL WEEMS:* That is possibly true. Probably it was done in error rather than premeditated.

*GENERAL EDGCUMBE:* It seems to me that we can go on talking about the technical procedure for several hours about this. General Sviridov takes one view, that owing to the name of the book it is not desirable because the author was a Fascist, to have it published. General Weems takes the view that the contents of the book are such that it is perfectly good and right to have it published. I first agreed with General Sviridov before I read the book. Since reading the book I wrote General Sviridov saying I have no objection against publication of the book because it is against all fascists and all nazis - it shows how wrong they were. That being so, I, myself, see no objection. But now we come to this position, that General Sviridov sticks to his point of view and has referred it to Marshal Voroshilov, and it seems to me that we will not get anywhere by discussing it here any further.

*GENERAL WEEMS:* It is really not a matter of any great importance. I do not consider the matter of great import, but the principle may be different. It has already been discussed in the ACC, and it is generally understood that it is in the hands of the ACC. If this ACC suppresses the book we will lay ourselves open to severe criticism by people, who, in the seven European countries we have mentioned, understand freedom of the press. In other words, if we suppress publication of a book that has as wide a publication as this, we certainly lay ourselves open to severe criticism by the world in general.

*GENERAL SVIRIDOV:* In other words, the person that will be criticized will be General Sviridov?

*GENERAL WEEMS:* No, it has been discussed three times in the ACC.

*GENERAL SVIRIDOV:* Then they will write that General Sviridov holds off to his particular point of view. There is nothing to be done about it.

*GENERAL EDGCUMBE:* May I ask what has happened in Romania?

*GENERAL WEEMS:* It is published in France, Czechoslovakia, Italy, Portugal, Sweden and Switzerland, and in process of being published in England, Denmark, Poland and Romania.

*GENERAL SVIRIDOV:* To be quite frank, about this whole business, we do have diversity of opinion and therefore I asked Marshal Voroshilov for his opinion and as soon as I shall get it I will transmit it to you.

*GENERAL WEEMS:* I am sorry I have taken up so much of your time.

*GENERAL EDGCUMBE:* It is a very interesting book; I recommend General Sviridov to read it.

*GENERAL SVIRIDOV:* I have already read it.

*GENERAL EDGCUMBE:* I wrote to General Sviridov asking some particulars about the Hungarian Army. My letter No. 2 on the 27th of February, asking about recruiting of the soldiers and officers and training. I would be very glad if I could have a reply soon if the General could arrange for the Hungarian Government to give the particulars we asked for.

*GENERAL SVIRIDOV:* In other words, the letter you received at the last ACC is not satisfactory?

*GENERAL EDGCUMBE:* No, I asked for more detailed particulars, which I would like to have.

*GENERAL SVIRIDOV:* They have two divisions and frontier guards.

*GENERAL EDGCUMBE:* That is quite satisfactory, but I want some further details.

*GENERAL SVIRIDOV:* All right.

*GENERAL EDGCUMBE:* On the 26th of March 1945, at Debrecen, we held the first meeting of the ACC under Marshal Voroshilov. General Levushkin was there and Colonel Cherkasov was there. The second anniversary is therefore very near, and I want to ask if General Sviridov and some of his staff and General Weems and some of his staff would come to have dinner with me to celebrate the second anniversary of the ACC, very near the last of the ACC.

*GENERAL WEEMS:* Thank you very much.

*GENERAL SVIRIDOV:* Thank you very much. We have gone through all the questions.

The meeting adjourned at 17.15 hours.

711.9 Allied Control Commission, Record Group 84, Budapest Legation File: NA, Washington D.C.

## 45.

*Conference of 16 April 1947*

Minutes of a formal meeting of the ACC where the matters regarding clearances, oil storage, Schwabians, etc., were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

### NOTES

A meeting of the Allied Control Commission for Hungary was held at 14.15 hours on 16 April 1947 in the conference room of the Soviet Headquarters in Bajza utca, near Andrassy út, Budapest, Hungary.

The meeting was called to order by the Acting Chairman, Lieutenant General V. P. Sviridov, who presided in the absence of Marshal Voroshilov.

Present were: *The United States Representation*: Brigadier General George H. Weems, Colonel John H. Stokes, Jr., Lieutenant Colonel William H. Slayden, Captain Allan J. Hackner<sup>418</sup>.

*The British Representation*: Major General O. P. Edgcumbe, CBE, MC, Lieutenant Colonel H. P. Whitefoord, Lieutenant Colonel P. C. Capron.

*The Soviet Representation*: Lieutenant General V. P. Sviridov, Major General I. I. Levushkin, Captain U. K. Potapov.

The discussion was substantially as follows, subject to any discrepancies in the translation from Russian.

Note: No agenda was prepared by the Acting Chairman, but the following proposed agendas were submitted by the British Representation and the United States Representation:

#### *British Representation*

##### 1. *Visit of British air experts for discussions with Hungarian Government.*

Letter BMH/208/Air of the 21st March 1947 has been passed by the Deputy Chairman to the Hungarian Government and it is desired to press for an early reply from the Hungarian Government.

##### 2. *ECITO.*

Referring to discussion at meeting on the 20th March<sup>419</sup>, it is desired to know whether the Hungarian Government have arranged to send a representative to the meeting of ECITO in Paris.

##### 3. *Schwabians.*

With reference to previous discussions and correspondence on this subject it is noted that in the letter of General Weems dated the 27th March, 1947, it is stated that it is not anticipated by the U. S. authorities in Germany that any substantial improvement in resettlement conditions within the U. S. Zone will occur within a minimum of 12 months. Under these circumstances it appears that there is nothing further that the ACC here can do in the matter and it is desired to know whether this point of view is agreed with.

##### 4. *Clearances.*

Reference to the discussion at meeting on the 20th March, it is desired to know whether the Deputy Chairman has been able to persuade the Soviet Occupation Forces to reconsider their attitude and to be more co-operative in granting clearances.

#### *United States Representation*

##### 1. *Vacuum Oil Storage Plant at Debrecen.*

I should like to know what steps have been taken to return the storage plant of the Vacuum Oil Company in the city of Debrecen. See my letter of 28 March 1947 on this subject.

<sup>418</sup> Captain Allan J. Hackner, Member of the Economical Section of the U.S. Military Mission on the ACC for Hungary.

<sup>419</sup> See document 44.

##### 2. *ECITO (European Central Inland Transport Organization).*

Information is desired as to whether or not the Hungarian Government has received an official invitation to have representatives at the ECITO Council meeting scheduled for 14 April 1947 in Paris. Likewise, I should like to know if the Hungarian Minister of Communications has prepared a census on rolling stock and inland waterway and harbor craft in Hungary.

##### 3. *Hungarian Air Agreement with Romania.*

Hungarian press carries information that an air agreement has been signed between the two governments for the resumption of the Budapest-Arad-Bucharest airline operations. I should like information as to the provisions of this agreement and as to when the operations will begin.

##### 4. *Suppression of American-Hungarian Newspapers.*

I am informed that two newspapers printed in the United States in the Hungarian language have been forbidden to enter Hungary. I should like to have full particulars in this matter, and specifically what articles are objectionable to the Hungarian Government.

General Weems later, in a special letter dated 14 April 1947, submitted the following two questions in connection with Item 3:

1. When did the Hungarian Government ask and obtain permission of the Allied Control Commission to negotiate an air agreement with Romania?

2. Has the question of concluding air transport agreements with other countries been discussed between the Hungarian Government and the Allied Control Commission either orally or in writing?

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*GENERAL SVIRIDOV*: The first point on the agenda is one brought up by General Weems on the subject of storage plant of the Vacuum Oil Company. The solution to this question is also desired by the Occupational Forces and by the company, and I regret greatly that the results are not as favorable as desired by all concerned. In order to vacate the storage plant it is necessary to move two large reservoirs to the proper location in order to be able to transfer the oil, and the local commander and the Occupational Forces have agreed to help in order to transfer the oil and to move the storage plant. The director of the Vacuum Oil Company has agreed to undertake to cover the charges necessary in order to move the storage plant. I have in front of me a report from my lieutenant colonel who was there on the spot in order to make all the proper arrangements to complete this transfer, and he has put all the points of their discussion in the report to me. The two reservoirs have been removed and brought closer to the original storage plant, however, they have not been brought in close enough or to the proper place where they should be installed. My officer reports that the director of the Vacuum Oil Company, who was there, has returned to Budapest, and the local Occupational Forces do not have the physical means in order to install the reservoirs properly. The situation is that the two reservoirs are there, but they are not in the proper place and there is nobody to put them where they should be. The only solution for me in this respect is to personally contact the Hungarian Government and request them to supply the labor and expenses necessary in order to install the reservoirs in the proper place in case the director of the Vacuum Oil Company will not go through with installing the reservoirs in the proper place. From the side

of the Occupational Forces, there are no difficulties whatsoever. All help is being extended to speed up the transfer of the oil into the two reservoirs, but the situation is rather silly now because they are not in the proper spot and nobody is there to transfer the oil to the proper place.

*GENERAL WEEMS:* Would the Chairman be kind enough to ask the Hungarian Government to make available facilities to move the reservoirs in order that the Occupational Forces may use them?

*GENERAL SVIRIDOV:* That is the only way out and we will definitely do it. I am asking General Levushkin to take notice of this and we hope within the next three or four days we will be able to arrange this because it is very unpleasant for us.

*GENERAL WEEMS:* I thank the Chairman.

*GENERAL SVIRIDOV:* The next point on the agenda has been put forth by both General Edgcumbe and General Weems and it covers the subject of the ECITO conference in Paris and whether the Hungarian Government has delegated any representatives to that conference<sup>420</sup>. I have information from the Minister of Transport [and Communications]<sup>421</sup>, which is supported by the Hungarian Government, that the Hungarian Government has received an invitation to that conference. However, due to the fact that the Hungarian Government did not have on hand any detailed information, or summing up of all the equipment on hand, particularly ships, and because there has been no decision yet by all the Danube Powers, the Hungarian Government has decided temporarily not to participate in that conference. At the same time, the Minister of Transport, Mr. Gerő, has informed me that the Hungarian Government has a representative in Paris who will be present at the conference. This representative has been in Paris for some time now, and he was supposed to attend the conference on the 7th of March, and it is anticipated that he will also attend the conference that is taking place which began the 14th of April. I am not sure if it was originally planned for the 7th of March and then moved up to the 14th of April. I am not sure about the 7th of March date. The Minister of Transport regrets and he is sorry that he cannot send any representatives to Paris with all the available details. They regret that they do not have this information on hand. There is still no agreement between the Danubian Powers as to their ships and water transport. A lot of ships are displaced at present and it is not cleared up yet as to how much is on hand. A similar situation exists also with railroad stock. Everyone is awaiting the ratification of the Peace Treaty and when that happens then all these agreements will be taken up and all these problems will be solved in a short time. This is the situation as of today.

*GENERAL EDGCUMBE:* I thank you for this information but would like to record here that I think it is regrettable the Hungarian Government did not send someone from here who is an expert, because quite apart from taking information, an expert could listen in on the conference and might come back with valuable information which they could use in making up lists and dealing with the problem later. Obviously the Hungarian Political Representative in Paris can be present, but he does

<sup>420</sup> He was Pál Auer

<sup>421</sup> Ernő Gerő

not have a communications expert. I think Mr. Gerő is ill advised in not sending an expert from here.

*GENERAL SVIRIDOV:* The Minister assumes that their representative in Paris is an expert on transport.

*GENERAL EDGCUMBE:* I wonder whether the Hungarian Political Representative in Paris really does have a Hungarian expert.

*GENERAL SVIRIDOV:* He is not a political representative. They have had transport experts there for some time.

*GENERAL EDGCUMBE:* That is better.

*GENERAL WEEMS:* Did I understand the Chairman to say that the Minister of [Transport and] Communications is not able to give a detailed account of his transportation, water and rail?

*GENERAL SVIRIDOV:* He can give information now, but this information would not be complete. This information would not be complete because the exchange of transport between Hungary, Romania, Yugoslavia, Czechoslovakia and even Austria and France has not been finished yet. Therefore there are no final figures on the actual transport available.

*GENERAL WEEMS:* It seems to me that the Hungarian Government would, two years after the hostilities, be able to count the number of cars, locomotives and boats that they have on hand.

*GENERAL SVIRIDOV:* Of course they have a count of the equipment they have on hand, but the figures on the equipment in other countries is not complete, and even of the equipment that is in Hungary at present, at least thirty per cent is not Hungarian and belongs to other countries.

*GENERAL WEEMS:* According to information that I have the question of multi-lateral restitution of railway rolling stock will be one of the points on the agenda at this meeting.

*GENERAL SVIRIDOV:* I do not know the agenda of the conference in Paris. I do not know what is to be discussed there. I have given you the information that was furnished to me by the Hungarian Government.

*GENERAL WEEMS:* Thank you.

*GENERAL SVIRIDOV:* The next question was raised by General Edgcumbe, and probably General Weems is also interested in it, concerning the Hungarian company "MASZOVLET", the airways company, and flights between Hungary and Romania, Hungary and Yugoslavia, Hungary and Bulgaria, in other words within the Balkans. General Weems is asking in his letter in what way the Hungarian Government made arrangements with the Romanians in securing permission to open up the air route between Hungary and Romania; and furthermore was the matter discussed about opening up air communications with other countries; and furthermore how was the permission granted; and, if discussions took place, did the ACC give their decision either orally or in writing. In this connection I have to announce as follows: No treaties or contracts in this connection have been concluded with other countries. Concerning Romania, at the present moment negotiations are going on to conclude an agreement between the Romanian firm known as "TARS"<sup>422</sup> and the Hungarian firm known as

<sup>422</sup> The author was unable to find any data referring to this firm.

"MASZOVLET". According to the information I have on hand they cannot come to any agreement on the question of finances, the financial side. No treaty has been concluded, agreed or signed, and therefore I cannot give you any information as to the terms of this agreement. Naturally, therefore, no flights are taking place. Occasionally individual flights take place between Budapest and Bucharest; and permission is given in the same way that clearances are given to British or American aircraft. In regard to other countries like Yugoslavia, Bulgaria, Poland and Czechoslovakia, there is no question of concluding agreements and the question has not even arisen; there are absolutely no agreements, conversations or negotiations taking place.

Now concerning the question of who gives the permission and the procedure to give such permission. In view of the fact that these flights take place in territory occupied by the Soviet Forces, the Hungarian Government, through me, make application to the Commander of the Occupying Forces. The request of the Hungarian Government was made to the Occupying Forces last year in October. The reply of the Soviet Occupying Forces was that they had no objections provided the Hungarians make their arrangements with the neighboring countries, that is to say with Romania, Czechoslovakia, Yugoslavia and Austria. In other words, the immediate neighboring states. Such permission was given by the Occupying Forces, but such permission to date is not being made use of by the Hungarians. When this thing was put up to me, and realizing that it was the prerogative of the Occupying Forces, I did not place the matter before the Allied Control Commission because control of all flights is in the hands of the Commander of the Occupying Forces. All arrangements for flights and for safety are the responsibility of the Occupying Forces. Furthermore, clearance for flights for Americans and British are all given by the Occupying Forces.

*GENERAL WEEMS:* I did not get one point clear. Did the Hungarian Government apply to the ACC to make an agreement bilaterally with Romania?

*GENERAL SVIRIDOV:* Such a particular approach was not made. On the basis of the permission, which they received from the Occupying Forces last October, the Hungarians began to negotiate with the Romanians but up to date they have not come to an agreement.

*GENERAL WEEMS:* It appears to me that the matter of negotiations between Hungary and Romania is one that should be considered by the ACC rather than the Occupational Forces. After the negotiations, it seems that it would be up to the Occupational Forces to grant or not grant clearances.

*GENERAL SVIRIDOV:* Both Hungary and Romania are in the zones of occupation of the Soviet Forces and therefore the matter is one for the Occupying Forces to decide.

*GENERAL WEEMS:* Is the Hungarian Government negotiating with other countries on air agreements?

*GENERAL SVIRIDOV:* No, none at all. Negotiations are only taking place between the two companies "TARS" and "MASZOVLET".

*GENERAL EDGCUMBE:* I appreciate what General Sviridov has said about the Occupational Forces being the responsible authority for saying the flights can take place, but it does seem to me that starting an aircraft service during a period of Allied control is a matter of considerable importance, and therefore I do think that it is a pity that General Sviridov did not inform myself and General Weems in October when this question arose, for information, because it seems to me it is of considerable

principle affecting the whole country. I think on the point of principle that we should have been told officially at the time in October.

*GENERAL SVIRIDOV:* The question arises who's responsibility it is for deciding this principle - is it the ACC's or is it the Occupying Force's? Insofar as the matter concerns flights outside the limits of Hungary, and also the fact that the flights take place over Soviet occupied territory, naturally the responsibility is the Occupying Force's. That is the question as it arises now - who has the right to decide? As the Occupying Forces clear all flights, in this case too the responsibility was that of the High Command. Furthermore, there is no provision made in the terms of the Armistice covering permits for air services. If one looks at the matter from the other end and the ACC permitted flights and the Soviet Forces do not, they wouldn't fly in Hungary.

*GENERAL WEEMS:* The point I was trying to make is that the matter of concluding a contract, an agreement, between Hungary and any other country would be a matter of concern between the two countries and the ACC, and the matter of flying over those countries would be a matter for the Occupying Forces.

*GENERAL SVIRIDOV:* By comparison we could look back on other agreements concluded by Hungary, namely the trade agreements with countries like Switzerland, France and others, and in that case no permission from the Allied Control Commission was obtained. I think that from the principle of this thing those agreements are not less important than this one. The trade agreements are not less important than the air agreement between Hungary and Romania.

*GENERAL WEEMS:* I understood the Chairman to say that there has not been any air agreement between Hungary and Romania. Is that right?

*GENERAL SVIRIDOV:* There is no agreement to date. There are negotiations going on but no final solution has been obtained as yet.

*GENERAL EDGCUMBE:* I would like to make it clear again that what I really wanted to say is that I do not think this is a matter for the ACC. I think it is clearly a matter for the Occupational Forces. We have spent a lot of time discussing it here now, many months after General Sviridov was asked. It would save us a lot of discussion if we knew these applications were made, not if we are required to approve them, because we see these matters in the newspapers and wonder what it is all about. I would appreciate if the General would inform us of these matters when they come up for information, to keep us in the picture.

*GENERAL SVIRIDOV:* This is agreed to.

The next question is one proposed by General Weems on the subject of American-Hungarian newspapers which were forbidden distribution and entry into Hungary by the Hungarian Government. I want to remind you that the 16th Article of the Armistice indicates that the distribution or publication of any periodical or non-periodical publications have to be approved first by the High Command of the Occupational Forces. There are hundreds of papers and other publications brought into Hungary from various countries, and from all this great amount of literature brought in only three publications have been forbidden to date. The Minister of Information<sup>423</sup>, as well as the Minister of Internal Affairs<sup>424</sup>, have addressed to me the question of

<sup>423</sup> József Bogmár

<sup>424</sup> László Rajk

whether the following papers could be brought into Hungary: One publication is the "Verhovaialk Lapja" which is published by John Bencse in Detroit; the second paper is the "Amerikai Magyar Népszava", published in New York, Detroit, Cleveland and Chicago; and the third paper is the "Catholicus Magyar Vasárnapok"<sup>425</sup>, which is a weekly Catholic publication issued in New York, New Jersey and Michigan and several other states in the United States. These three papers, and I emphasize again out of hundreds of papers, were characterized by the Minister of Information and by the Minister of Internal Affairs as anti-Democratic papers. Besides being anti-democratic, in these papers were also found many anti-Soviet articles. Because of these facts the decision of the High Command was to forbid the bringing in of these three publications. This right is given to the Soviet High Command on the basis of the 16th Article of the Armistice Agreement. This is the information I can give concerning these three papers, although General Weems has only spoken about two papers.

*GENERAL WEEMS:* I thank the General for his information and, of course, the news article I read in the Hungarian paper was incorrect.

*GENERAL SVIRIDOV:* This information was obtained from both the Minister of Information and the Minister of Internal Affairs. I want to tell General Weems that from the copies of these papers that have entered Hungary in the past I am acquainted not very thoroughly. However, I will attempt to acquaint myself in more detail about the contents of these papers and I hope to be able at the next meeting to point out to General Weems which articles are either anti-democratic or anti-Soviet.

*GENERAL WEEMS:* Fine.

*GENERAL SVIRIDOV:* This was the information I received from two Hungarian Ministers and based on their information the decision was made by the Soviet Ground Forces Occupational High Command.

*GENERAL WEEMS:* I merely saw the item in one of the local papers to the effect that two have been banned and General Sviridov has given me an excellent account.

*GENERAL SVIRIDOV:* The next question is one by General Edgcumbe and, by the way, it is the third time it has been raised in these meetings and concerns the visit of British air experts in connection with safety precautions for landings. The position of the Hungarian Government is to put this question off until the ratification or coming into force of the Peace Treaty, and then to go into the question of flights over Hungary and also the safety, landing, etc. They will then enter into discussions with the British Government. The reason for this is that the aerodromes in Hungary are at present occupied by the Soviet Forces, and it is not known when they will be freed, therefore, they can not discuss the question so soon. The Hungarian Government at the moment do not know which airfields they will be using. Furthermore, they do not know the type of aircraft that will be in use and therefore they consider at the moment that no information can be given. If the British experts arrive today or tomorrow, there is nobody here who can give them any accurate information.

*GENERAL EDGCUMBE:* Thank you, General. Because this is rather an important question from the point of view of my Government, they want to have an answer. Could I have an answer in writing about this?

<sup>425</sup> Correctly: Katolikus Magyar Vasárnapok

*GENERAL SVIRIDOV:* I will endeavor to secure this decision from the Hungarian Government in a written form and transmit it to you.

*GENERAL EDGCUMBE:* Thank you.

*GENERAL SVIRIDOV:* The next question was also raised by General Edgcumbe in the matter of the deportation of Schwabs. The question as raised by General Edgcumbe states that as noted at the last meeting the conditions in Germany are such that the American authorities cannot receive any more Schwabs, and the situation in the next twelve months is not likely to improve, and, as General Edgcumbe concludes, is this decision by the American authorities acceptable?

*GENERAL EDGCUMBE:* No, it is not the question of whether it is exactly acceptable. My opinion is that there is nothing that the Allied Control Commission here can do. That is, for the time being the matter is closed with the Allied Control Commission.

*GENERAL SVIRIDOV:* The Allied Control Commission cannot order the United States Occupation Forces in Germany. The Allied Control Commission can only request, not order them to do anything. We can only ask, through General Weems, a representative of the U. S. Forces, we can only ask through him that the U. S. Forces in Germany reconsider this decision.

*GENERAL WEEMS:* It would serve no useful purpose for me to ask our Forces in Germany for reconsideration, because throughout the whole program I have kept them completely informed as to the situation, and they have kept me informed as to the situation there, and I have passed that information, completely and faithfully, to the other members of the ACC. I can merely pass to them the information of the embarrassing situation caused the Hungarian Government.

*GENERAL SVIRIDOV:* It is true that this situation is very embarrassing to the Hungarian Government as they have already divided the land previously belonging to the Schwabs among the landless peasants, and these landless peasants have already moved to the land that previously belonged to the Schwabs. Now on every farm we have two bosses, we have a Hungarian and a Schwab. As a result of this there is, of course, a lot of friction between the Hungarians and the Schwabs. The Hungarian Government was hoping and planning and basing its plans on the agreement signed in August 1946, and now they are in an embarrassing situation. Of course the Hungarian Government has requested, as stated in the letter to General Weems and the letter that I received, that the United States Forces in Germany reconsider their decision and continue to accept Schwabs in order to solve the situation that has been created here.

*GENERAL WEEMS:* I would like to inform the other members of the ACC that I have kept our people in Germany completely informed as to the situation in Hungary and shall inform them of the remarks that have been made in this meeting.

*GENERAL SVIRIDOV:* I would also like to ask General Weems to pass on, in the name of the ACC to the U. S. Forces in Germany, that this original agreement of August 22nd, 1946 be fulfilled.

*GENERAL WEEMS:* I shall pass on the remarks of General Sviridov as he has given them in this regard, but I do not propose to pass it on in the name of the ACC because I do not consider that the ACC has any competency to make such a request

on our Forces in Germany, whereas I could put it in the name of the Hungarian Government if that is desired.

*GENERAL EDGCUMBE:* Would it not be possible for you to say that the ACC as a whole, all of us, since we have discussed it and realizing there is nothing that we can do, would like the U. S. authorities in Germany to realize that from our point of view in Hungary it has caused considerable embarrassment?

*GENERAL SVIRIDOV:* In which manner does General Edgcumbe think we should pass this information?

*GENERAL EDGCUMBE:* I think through General Weems.

*GENERAL WEEMS:* I will be glad to pass the information in that manner.

*GENERAL EDGCUMBE:* Also I think we should inform our governments that we have discussed it today.

*GENERAL SVIRIDOV:* And to pass a letter in the name of the ACC, through General Weems, to the United States authorities in Germany.

*GENERAL WEEMS:* I shall prepare a message to be sent to our authorities in Germany, if agreeable to the other members, and will be glad to furnish a copy of this to the other members.

*GENERAL SVIRIDOV:* A letter in which the opinion of the members of the ACC will be expressed?

*GENERAL WEEMS:* In regard to the troublesome situation caused by conditions here.

*GENERAL SVIRIDOV:* Thank you. Then we agree to inform our governments about the embarrassment caused to the Hungarians through the situation of the deportation of the Schwabs. General Weems will also send his letter and a copy to the other members of the ACC.

The next question is one raised by General Edgcumbe which concerns the granting of clearances and that the High Command should be approached to give clearances without obstacles naturally to British and also to the Americans. In this connection I have discussed the matter with the Occupying Forces and they have replied that they will endeavor to give more clearances and with less delay; in other words, that they will do their best to insure that there will be a fewer number of refusals. Furthermore, I would like to draw your attention to the fact that the number of clearances is sufficient. The Occupying Forces stress the fact that the number of clearances given is adequate.

*GENERAL EDGCUMBE:* That is according to the Occupying Forces but not according to me.

*GENERAL SVIRIDOV:* I do not think that General Edgcumbe can be exactly offended because he gets enough clearances.

*GENERAL WEEMS:* In this connection of clearances I would like to bring up a specific type of case. Many Hungarian individuals have come to me and asked my assistance in getting people cleared to come into Hungary who want to participate in welfare and cultural activities. Specifically I refer to three individuals for whom we have asked clearances and for whom we have received denials, who wish to come here for the Rockefeller Foundation. The other is the case of the CARE organization (Co-operative for American Remittances to Europe).

*GENERAL EDGCUMBE:* I give the General a list of 16 refusals in 26 days.

*GENERAL WEEMS:* I would like to submit a similar list to the Chairman and call attention to the fact that where General Edgcumbe has 16, I have 44 refusals during March and April.

*GENERAL EDGCUMBE:* Mine are since the last meeting.

*GENERAL WEEMS:* In addition to that list, I handed the Chairman a similar list following the last meeting.

*GENERAL SVIRIDOV:* I would like to straighten out this point on UNRRA. Mr. Sommers, before his departure, wrote a letter stating that the UNRRA is liquidating here, has finished its activities here, and Mrs. Adams is remaining behind to liquidate the affairs of UNRRA. Mrs. Adams at present is trying to prove and has indicated that UNRRA has not finished its activities yet. Has UNRRA finished its activities here or not? This question is raised because Mrs. Adams has made a number of requests for entry of people here on UNRRA business while officially UNRRA has finished its activities here.

*GENERAL WEEMS:* According to the information that I have seen, and which I know to be reliable, UNRRA headquarters in London desires the UNRRA establishment in Hungary to continue for the time being. Furthermore, I understand that UNRRA still has several hundred thousand dollars worth of equipment and food to be received and distributed.

*GENERAL SVIRIDOV:* In that case why was the original organization dissolved? Mr. Sommers has departed and the Russian representative has also departed, and in that case if there is still work to be done it would be logical to get this commission together again. The Hungarian Government considers that UNRRA has finished its work here and there is no UNRRA work continued at present.

*GENERAL WEEMS:* I want to be sure that I understand what the General said. Has the Hungarian Government said that the UNRRA has finished its work here?

*GENERAL SVIRIDOV:* That is what they say because Mr. Sommers has also written a letter to the Hungarian Government and to me stating that UNRRA has finished its work here and Mrs. Adams remains to liquidate the work of UNRRA.

*GENERAL WEEMS:* It is my belief that Mr. Sommers made a mis-estimate in the time that it would require to liquidate UNRRA.

*GENERAL SVIRIDOV:* I have nothing against it and I do not oppose the fact that UNRRA should continue its relief work with the Hungarian population, but in that case the commission that existed will have to be reestablished and will have to be again organized in order to continue that work.

*GENERAL WEEMS:* I do not know whether it would be necessary to reestablish the entire commission, and I am of the opinion that the staff that remains here now is competent and qualified to finish up the liquidation of the remaining UNRRA.

*GENERAL EDGCUMBE:* Is the Russian representative still present in Budapest or has he gone away?

*GENERAL SVIRIDOV:* He is still in Budapest.

*GENERAL EDGCUMBE:* Could he not go and have a discussion with Mrs. Adams on the whole subject as he knows all the past workings and find out what their position is?

*GENERAL SVIRIDOV:* He knows the position very well and has informed me. He informed me that UNRRA has completed or liquidated its activities here.

*GENERAL EDGCUMBE:* Would it not be a good thing if he went now and found out quite definitely whether Mrs. Adams is going to ask for any more clearances and why?

*GENERAL SVIRIDOV:* That we can do. We can inquire.

*GENERAL EDGCUMBE:* Something may have happened that we do not know about in the last week or so.

*GENERAL WEEMS:* One other point. Mrs. Adams mentioned to me recently that the UNRRA European Headquarters would send their representatives or inspectors to all the European countries where there has been UNRRA to inspect the closing out of their activities.

*GENERAL SVIRIDOV:* I understand that an important person of UNRRA, General Humphrey Gail, intends to come.

*GENERAL EDGCUMBE:* I have heard a statement to that effect but nothing further.

*GENERAL SVIRIDOV:* I will check up on the position of UNRRA through Mrs. Adams. On the subject of the CARE organization, maybe General Weems can point out what help, what assistance, the CARE organization can give to the Hungarian population or the Hungarian Government. I request this information so I can transmit it to the Occupational Forces and then it would be easier for us to consider the request for clearances for CARE representatives. I would be very grateful to General Weems if he could write me a letter on that subject.

*GENERAL WEEMS:* Very well, and I shall send a copy to General Edgcumbe.

*GENERAL SVIRIDOV:* May we consider this question as finished with?

*GENERAL EDGCUMBE AND WEEMS:* Yes.

*GENERAL SVIRIDOV:* I still have two replies to letters received from General Edgcumbe. The first is a letter of the 11th of April requesting that the Hungarian Ministers of Interior and Defense<sup>426</sup> pay greater attention to the Austrian-Hungarian frontiers, that is to say in connection with the assertion that during the last six months about 6,000 Hungarians have crossed into Austria illegally. Your request is being carried out and letters have been written to the Hungarian Ministers of Interior and Defense saying that the Austrian-Hungarian frontier is badly guarded, informing them that the frontier is badly protected and that illegal immigrants are crossing from Hungary into Austria. Both Ministers have taken note of this information and are taking steps to improve the protection of the frontier. Have you any further desires or requests on this particular subject, General Edgcumbe?

*GENERAL EDGCUMBE:* No. I would like to thank the General for the action he has taken.

*GENERAL SVIRIDOV:* In regard to a house situated in Nador street which is occupied at the moment by Soviet units, one of my officers visited this house, a five story house, half of which is occupied by Hungarians and the other half partly by Soviet personnel. The owner of the house is the Star Petroleum Company. On the 19th of April the Soviet detachments in that house will be withdrawn. The High Command requests though that the first floor of that house shall remain at their disposal temporarily. They will retain the first floor no longer than the 15th of May

<sup>426</sup> László Rajk, Minister of the Interior; Lajos Dinnyés, Minister of Defense.

The first floor contains a club and dining room, and they are now in the process of searching for other suitable accommodations. By the 19th, four floors of this house will not have a single Soviet person there. There is already quite a number of Hungarians in the building. The question of handling the Hungarian occupants is a matter for the company itself to deal with.

*GENERAL EDGCUMBE:* Thank you, General. Could you let me have that briefly in writing so I can have it in my records?

*GENERAL SVIRIDOV:* Such a letter is already being prepared for General Edgcumbe.

The items for discussion at this meeting have been completed.

*GENERAL EDGCUMBE:* May I, as usual, raise another point? Some time ago I asked General Sviridov to arrange for my economic representative to have a discussion with Colonel Britt, the Soviet economic expert, with regard to various outstanding qualifications on British properties. Personally I want to thank General Sviridov for having arranged it, and Colonel Britt was most cooperative. It was discovered that the organization of the Hungarians is extremely bad, and that is one of the chief reasons for delays in getting answers. I wrote to General Sviridov on the 11th of April suggesting that the Hungarian Government be told to improve matters. I want to mention this for the information of the meeting that I have done this.

*GENERAL SVIRIDOV:* Thank you. I will talk to the Reparations Office and insist that they reorganize their setup.

*GENERAL EDGCUMBE:* Thank you very much.

Can the General give us any information at all about this paper "Holnap"? There was a strike which prevented the publication of this Hungarian paper. It is a paper of the Freedom Party. I have been having letters from Mr. [Dezsö] Sulyok and I believe General Sviridov and General Weems have all been having letters complaining about it. I wonder if the General can give us any information on the subject.

*GENERAL SVIRIDOV:* I can only say what has appeared in the press and what I have heard from other sources. I know that Mr. Sulyok or his representatives are negotiating with the trade union and that the intermediary in the discussions is the Minister of Information, Mihályfi<sup>427</sup>. Both sides have a desire to agree, that I know. The requirements, the demands of the printers trade union, put to Mr. Sulyok are as follows: The first requirement of the printers trade union is that the paper should not publish articles directed against democracy or against trade unionism, against the conditions of the workers. Secondly that Mr. Sulyok should withdraw the speech which he made in a town (I cannot pronounce the name), or alternatively to inform the trade union the source of the figures that he mentioned in his speech. Those are the demands of the trade union and I do not know whether Sulyok has been given this information. I have no information on this. It is up to Mr. Sulyok now. Insofar as it is a matter between Sulyok and the trade union and the government have nominated a referee in the person of the Minister of Information, it is up to them to come to an agreement. It is a matter that does not concern the ACC in any respect. I have received a letter from Mr. Sulyok in which he makes no requests but just informs me of the situation.

<sup>427</sup> Mihályfi, Ernő (1898-1972), first Minister of Information, then Minister of Foreign affairs between May and November 1947.

GENERAL EDGCUMBE: Thank you, General.

GENERAL SVIRIDOV: One of the conditions is that Sulyok should not go against the workers and publish libelous statements. All the information published should be correct and true, should not be lies. In my opinion this matter will be solved quickly.

I thank General Edgcumbe and General Weems for their attention.  
The meeting adjourned at 16.15 hours.

711.9 Allied Control Commission, Record Group 84, Budapest Legation File; NA, Washington D.C.

## 46.

*Conference of 20 May 1947*

Minutes of a formal meeting of the ACC where matters concerning alleged Hungarian war criminals, proposed visit of British air experts, claims under Article 13 of the Armistice Agreement, etc., were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

### NOTES

A meeting of the Allied Control Commission for Hungary was held at 14.15 hours on 20 May 1947 in the conference room of the Soviet Headquarters in Bajza utca, near Andrassy út, Budapest, Hungary.

The meeting was called to order by the Acting Chairman, Lieutenant General V. P. Sviridov, who presided in the absence of Marshal Voroshilov.

Present were: *The United States Representation*: Brigadier General George H. Weems, Colonel John H. Stokes, Jr., Captain Allan J. Hackner.

*The British Representation*: Major General O. P. Edgcumbe, CBE, MC, Lieutenant Colonel H. P. Whiteford, Lieutenant Colonel P. C. Capron.

*The Soviet Representation*: Lieutenant General V. P. Sviridov, Major General I. I. Levushkin, Major General A. M. Belianov, Lieutenant Colonel M. I. Cherkasov.

The discussion was substantially as follows, subject to any discrepancies in the translation from Russian.

Note: No agenda was prepared by the Acting Chairman, but the following proposed agendas were submitted by the British Representation and the United States Representation:

#### *British Representation*

##### 1. *Visit of British Air Experts.*

At the last ACC meeting on the 16th April<sup>428</sup>, the Chairman gave the reply from the Hungarian Government verbally. It is desired to obtain as soon as possible a written

<sup>428</sup> See document 45.

reply from the Hungarian Government and my letter BMH/203/Air of the 30th April refers.

##### 2. *Claims and Queries under Article 13 of the Armistice Terms.*

In my letter 401(d)/Econ-Fin of the 11th April I pointed out that the Hungarian Government organization for dealing with claims and queries under Article 13 needs to be improved and the Chairman agreed to request the Hungarian Government to take action. It is desired to know whether the Hungarian Government have yet, in fact, taken any steps in this matter.

##### 3. *Alleged Hungarian War Criminals now in Austria.*

At the ACC meeting on the 20th March<sup>429</sup> the Chairman said that a list of alleged Hungarian war criminals was being prepared by the Ministers of Interior and Justice for submission to the ACC and for transmission to the Allied Commission, Austria. It is desired to know whether this list is now complete and whether it will be submitted in the near future.

##### 4. *Information required from the Hungarian Government regarding three British women killed by Nyilas<sup>430</sup> in 1945.*

The Hungarian authorities have given some information but my Government still require -

- (a) The proceedings of the trial and sentences of those involved, and,
- (b) Names of those for whom police are still seeking.

My letter BMH/929/Sect of the 16th March refers and an early reply is requested from the Hungarian Government especially in view of the fact that the matter was first raised with them in June 1946.

##### 5. *Visits to the Provinces.*

It is understood that as a result of discussions between General Levushkin, Colonel Stokes of the U. S. Representation and Colonel Curteis<sup>431</sup>, British Representation, some form of permanent pass will now be issued to members of the American and British Representations.

#### *United States Representation*

##### 1. *United Incandescent Lamp and Electric Company (TUNGSRAM), Újpest, Hungary.*

I desire assurances from the Hungarian Government that the American-owned interest in TUNGSRAM will be protected, and is exempted from transfer to the USSR as reparations. Letter of 7 May 1947 refers to this subject.

##### 2. *Negotiations for Air Agreement between Hungary and the United States.*

I desire to know what steps have been taken by the Hungarian Government to insure as favorable treatment to the United States as has been accorded other countries in the matter of negotiations concerning air agreements. See my letter of 1 May 1947.

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GENERAL SVIRIDOV: The first question is proposed by General Weems on the subject of the firms OSRAM and TUNGSRAM. 13.7 per cent of the shares of this

<sup>429</sup> See document 44.

<sup>430</sup> Nyilas: member of the Hungarian fascist party called Nyilaskeresztes Párt (Arrow-Cross Party)

<sup>431</sup> Colonel H. M. Curteis, Head of the Military Section of the British Mission.



company have been turned over to the Soviet Union since they were the property of the German holding company, the OSRAM company, only 13.7 per cent. We tried to check on this figure when we received General Weems' letter stating that this figure was not right, that it was not the proper figure. General Weems wanted to help us and notified us in his letter of the 29th of November 1946 that the Allied Commission in Germany is straightening this matter out and is determining the exact per cent of German holdings in this company. To my regret, until today I have not received information or notification from the Allied Control Commission in Germany as to the exact figure of the German holdings in this company. Has General Weems any definite figure?

*GENERAL WEEMS:* I have no further information than that given in my letter of the 7th of May. I do not understand exactly the figure that the General has given here, 13.7 per cent. Where does that come in, if I may ask?

*GENERAL SVIRIDOV:* This figure of 13.7 per cent was given to us by the Hungarian Government. This is the exact amount of shares that have been turned over by the Hungarian Government to the Soviet Union as documents that are at present in Hungary, have proven that this is the amount of shares that were held by the German OSRAM firm, with headquarters in Berlin, and belonging to this firm as shares in the local firm, the TUNGSRAM firm. After the letter we received from General Weems we also began to doubt the exact figure of shares but no documents, no exact data, is available on hand. Therefore, we were quite thankful to General Weems when he wrote us that the exact figure would be determined and pointed out by the Allied Council in Germany. We hope for and look forward to receiving the exact figure from the Allied Council in Germany, be it more or less than 13.7 per cent. Or General Weems will get the information. I have not received any new data on this subject from General Weems and maybe we could ask General Weems to again request the Allied Council in Germany to determine the exact figure of the German holdings in the local TUNGSRAM company.

*GENERAL WEEMS:* I wish to point out the fact that the decision of the Allied Control Council in Germany will affect only 2.2 per cent; that the American claim is at least a minimum, at least 27.25 per cent as definitely American-owned. The American interests claim 27.25 per cent as being definitely American. The other figure, 2.20 per cent, is to be decided by the Allied Control Council of Germany. If they decide one way, then the American interest will be 29.45 per cent. If they decide the other way it will still be 27.25 per cent.

*GENERAL SVIRIDOV:* This figure was already mentioned by General Weems in his letter of the 29th of November 1946, but he also mentioned at the time that a definite figure is being determined by the Council, and after the answer has been received then we will know definitely. However, no answer from the Allied Council has been received to date.

*GENERAL WEEMS:* It is rather difficult to get my point over because it is rather complicated. The American firm, International General Electric Company of New York, claims definitely, through my Government, 27.25 per cent, and that is not concerned with the Allied Control Council's decision in Berlin. Now if the Allied Control Council in Berlin makes a decision one way, an additional 2.2 per cent would be American-owned, making a total of 29.45 per cent.

*GENERAL SVIRIDOV:* When will the Allied Council in Germany officially inform us about the fact that this amount is American-owned? Maybe General Weems should, on his own, and I, on my own, request the information and get definite notification as to the exact amount of shares held by the American company. Let us request information on this. This is a question that should be settled up there and they should inform us as to the exact figure.

*GENERAL WEEMS:* There is only a small percentage, only 2.2 per cent, that is involved with the Allied Control Council in Germany, whereas my Government claims that we own at least 27.25 per cent and that has nothing to do with the Allied Control Council. We claim that is definitely owned by American interests. The Allied Control Council in Berlin does have a say on the 2.2 per cent. I will get additional information if I can.

*GENERAL SVIRIDOV:* If the 27.25 per cent has already been proven as American, let somebody give us that information. The mixed commission of Hungarian and Soviet representatives will then go over this claim. This is especially easy to consider since this firm exists and operates here in Hungary and nothing has been taken from the firm here. No harm to the American interests has been or will be done.

*GENERAL WEEMS:* I would like to bring to the attention of the Chairman the fact that the Hungarian Reparations Office has informed TUNGSRAM that all the shareholders rights formerly possessed by OSRAM of Berlin have been transferred to the USSR as former Germany property under the Potsdam Declaration, and that we claim that of those shareholders rights 27.25 per cent are definitely American-owned. (Co. Cherkasov translated a paragraph from General Weems' letter to General Sviridov reference percentages).

*GENERAL SVIRIDOV:* In other words the OSRAM shares amount to 29.45 per cent of all the shares. Now the 27.25 per cent is claimed to be American shares.

*GENERAL WEEMS:* That is right, and I will make every effort to obtain additional information for the General.

*GENERAL SVIRIDOV:* The second and third questions are related to each other by their text. The second question was raised by General Weems and the third question was raised by General Edgcumbe. Both questions deal with air communications and air travel. It is no doubt necessary to get this subject cleared up. First of all, it can be said without any doubt that the airfields in Hungary are occupied by the Occupational Forces; that is something that is determined. Part of these fields, in accordance with the decision of the High Command of the Occupational Forces, have been turned over to the air company "MASZOVLET". In the agreement that was concluded between the Soviet Government and the Hungarian Government on the status and operation of "MASZOVLET" it was determined and established that the Hungarian Government will not have any right or will not make decisions as to the use of the airfields that have been ceded to the "MASZOVLET" company for their use. Therefore it is true and correct that the Hungarian Government has not at its disposition any airfields in Hungary. It is correct and it is true when the Hungarian Government states that it is not able at present, because of the lack of airfields in Hungary, to discuss any air agreements with both the United States and the British Empire. This is an established fact and there is no doubt about this at present. This is the first part of this problem.

The second part of this problem is that with the permission of the Occupational Forces, and with the permission of the Chairman of the Allied Control Commission, the Soviet-Hungarian air company "MASZOVLET" has received permission to establish air communications with the adjacent, the neighboring countries, which includes Romania, Yugoslavia, Czechoslovakia and Austria. This company has received such permission. No other permission, namely permission to establish air communications with other countries, has ever been given to this company. Besides, considering the small number of airfields and the small number of planes available to this company, they would not be able to communicate with other countries even if they so desired. Today we have a mutual agreement between the Hungarian-Soviet air company "MASZOVLET" and the Romanian-Soviet air company "TARS" on mutual flights between Romania and Hungary. No other discussions between "MASZOVLET" and any other country or company are being conducted or will be conducted now. The information that General Weems has outlined in his letter, that the Hungarian company is negotiating air agreements with Switzerland, France and Sweden in order to establish flights between Budapest and Zurich, Paris and Stockholm, respectively, is not correct. I have checked this information through several sources and I am definite about this information, and apparently the information that General Weems has received is not correct. This is the second part of this entire problem.

The third part of this entire problem is mentioned by General Edgcumbe in his letter that the director, the president of this "MASZOVLET" company, a gentleman by the name of Sinigla has written a letter to all the Western Powers inviting them for negotiations on agreements on flights from Western countries and Hungary. I have to make a correction the letters were written to companies and not to the governments in question, and further, I have checked this information and it is true that this Mr. Sinigla has written letters to all of these various companies. Furthermore, I have checked and found out that Mr. Krainov sent these letters without prior permission either from the Hungarian Government, the Allied Control Commission or the Occupational Forces. Therefore the letters written by this gentleman do not represent the opinion on this subject of the Hungarian Government, the Allied Control Commission or the Occupational Forces, and the opinion expressed in those letters cannot be used as accusations against any one of the three powers mentioned, namely the Hungarian Government, the ACC or the Occupational Forces. It is merely a private initiative from the general director of the "MASZOVLET" company. Therefore, I want to state here that the letter written by Mr. Sinigla, who is the director-general of the "MASZOVLET" company, should not be paid any attention to, and that they do not represent the action or opinion of the Hungarian Government, the ACC, or the Occupational Forces, and they cannot be used as evidence in this matter. This is the third part of this entire air problem.

The fourth part of this entire air problem is as follows: In the future, or the way the regulation is on this subject, all agreements between foreign companies and the "MASZOVLET" company have to be through the Hungarian Government which, in turn, has to get permission from the Allied Control Commission and, of course, the Occupational Forces. This is because all the agreements that the Hungarian Government makes with other countries have to be approved by the Allied Control Commission. This has to be done also because of the fact that the Occupational Forces are

still occupying all the airfields in Hungary and control all the lines of air communications within Hungary. The approval of the Occupational Forces on this subject cannot, therefore, be avoided in any way. All flights, including the flights by American planes, the British, the French, and all others that take place over Hungary to countries like Romania and Bulgaria, have to get approval from the Occupational Forces.

I think now that I have fully informed or given all the information on this subject to both General Edgcumbe and General Weems. If there are any questions on this subject, I will attempt to answer them.

*GENERAL WEEMS:* It appears from General Sviridov's remarks that I have had misinformation about the fact that the Hungarian Government has opened negotiations with France, Sweden and Switzerland. Yet I have received information in the last two days, which I consider reliable, that the "MASZOVLET" is flying from Budapest to Zurich weekly, beginning today.

*GENERAL SVIRIDOV:* This information is not correct. However, there is one point about the flight to Zurich. A request from "MASZOVLET" has been received for a one-time flight, permission for one flight to Zurich, however, I am not sure if this permission has been given or not. Apparently the Occupational Forces have not given their answer yet about permission for this flight. There is definitely no doubt about this statement since I have checked it and I am responsible for every word of it.

*GENERAL WEEMS:* I would like to make one more point. My Government does not question the authority of the Occupational Forces to permit or to deny flights over the occupied territory, but it does seem to me and to my Government that if the Hungarian Government can conduct negotiations through its partly-owned aviation company with other companies, then equal rights should be accorded to my Government in negotiating agreements.

*GENERAL SVIRIDOV:* First on the subject about the flight to Zurich, General Weems can check whether or not this flight actually is taking place. In order to fly to Switzerland they would, first of all, have to obtain permission from the American Occupational Forces in Austria and also from the French Occupational Forces there. As to the equal rights for the American Government, we can say that they are possibly getting more rights than anybody else. They have permission, for instance, to fly to Sofia, to Bucharest, to Belgrade, and several other points, across Hungary. Even today your planes are flying over Hungary. Therefore, the Allied Control Commission did not stand in the way of all these flights and permission has been given for them, as well as permission from the Occupational Forces. Air corridors have also been established and they can fly whenever they want to.

*GENERAL WEEMS:* These are U. S. Army planes making such flights and I was speaking in terms of commercial airlines.

*GENERAL SVIRIDOV:* This question concerning the commercial companies also has to be placed before the powers that decide about the flights, and individual cases will also be considered like the other flights are.

*GENERAL WEEMS:* That brings us back to the point, to the fact that we, the United States Government, desires to negotiate an agreement with the Hungarian Government as favorable as the agreement between the Hungarian Government and any other country.

*GENERAL SVIRIDOV:* I understand what General Weems wants to put across, and the way to these agreements will be the same as Romania, Bulgaria, and the other countries in question. This could be arranged in one way, for instance that General Weems address the Allied Control Commission which will, in turn, request a decision from the Occupational Forces and then if permission is granted such flights could be arranged.

*GENERAL WEEMS:* What we desire is to negotiate an agreement between my Government and the Hungarian Government for any flights desired.

*GENERAL SVIRIDOV:* That is fine, I understand this, but if the United States Government will turn to the Hungarian Government for such an agreement the Hungarian Government will have to get permission from the Allied Control Commission because all agreements conducted by the Hungarian Government at present have to go through the Allied Control Commission, and when this is done permission from the Occupational Forces also has to be obtained, particularly considering the fact that all the airfields in Hungary are under the control of the Occupational Forces. So directly or indirectly it will all have to go from the Hungarian Government to the Occupational Forces for their final decision. Today this is the only way possible for such an agreement.

*GENERAL EDGCUMBE:* I have a very clear recollection that at our last meeting, when we talked about this, General Sviridov said that with regard to agreements, whether they were air agreements or trade agreements, the ACC did not have to give approval as a body for any agreement, trade or air. General Sviridov then, to my recollection, which I have all written down, said that the question of these flights being made by "MASZOVLET" to these neighboring countries was raised by the Hungarian Government and was put by them, through him, to the Occupational Forces, but not for approval in the ACC but for approval for the actual flights by the Occupational Forces. The Hungarian Government asked for permission for flights by "MASZOVLET" to neighboring countries and they asked permission from the Chairman of the ACC, but the Chairman of the ACC merely passed the letter to the Occupational Forces and didn't give the permission himself. Now General Sviridov today says that all arrangements between "MASZOVLET" and foreign companies have to get permission from the ACC because all agreements, which Hungary makes with other countries, have to be approved by the ACC. This is quite different from what I was told at the last meeting, and I have it recorded. I have reported to my Government the results of the last meeting, that I have been informed by General Sviridov that agreements, whether for air or trade, were not a matter for the ACC. This is a very important point because if they are a matter for the ACC the whole situation is altered, and if it is, I have never been consulted as to whether an agreement could be conducted between Hungary and Romania for "MASZOVLET", and I know my Government would consider this a matter of importance if it is a matter for the ACC. So there is a misunderstanding between us and it is very important that we clear this up.

*GENERAL SVIRIDOV:* In the last meeting this question was raised about giving permission of air flights. I stated then that the final word rested with the High Command of the Occupational Forces. The High Command controls and occupies the airdromes and also controls air communications. Furthermore, the occupational authorities control flights within their zone of occupation. Similar methods are enforced

in other occupied zones - British, American, French, etc. That is why I then said that the most important role is played by the High Command of the Occupational Forces. All flights that have taken place so far, and those that will take place in the future, they come to me as Deputy Chairman and I pass them on to the High Command of the Occupying Forces. I made the statement at the last meeting of the ACC and that is exactly how it must be understood, that is to say that the High Command has the last word. Is it possible to bypass the Allied Control Commission and address the High Command direct? The answer is no, it is impossible. Without a doubt all these applications must go through the ACC, and the ACC never refused to control any arrangements between "MASZOVLET" and the neighboring countries for flights and never have refused to control such applications. That is the specific question. The High Command has the deciding word. The matter concerns the Occupying Forces since they control the airdromes and they control all the flights within their zones. I do not exactly understand how General Edgcombe says I made a contradictory statement from that in the last meeting. Perhaps at the last meeting I didn't express myself quite clearly, but I think I have done so today.

*GENERAL EDGCUMBE:* Thank you, General. I now understand that these agreements have to be approved by the ACC but I certainly misunderstood you. I am sorry, last time because I know my record actually has the words that agreements were no matter for the ACC, whether they were trade or air, and trade were probably more important than air, and we have never dealt with any agreements. Evidently we misunderstood. I would like to ask General Weems whether he misunderstood.

*GENERAL WEEMS:* I have it exactly recorded as translated. Actually before we had that meeting the Romanian and Hungarian Government had concluded an agreement on the 26th of March.

*GENERAL SVIRIDOV:* I understand this to mean that the ACC's word is not the final word. The final word belongs to the High Command of the Occupying Forces. With regard to the conclusion of trade agreements and diplomatic relations between other countries, they are matters for the ACC. In regard to the entrance and exit of individuals that, of course, is a matter for the High Command. They have introduced this procedure and it must be carried out. If you look through the terms of the Armistice that entitle the ACC to control or permit air communications between Hungary and other countries. There is no such an article. Anyhow, it is impossible to bypass the ACC on this matter as far as it concerns the Hungarian Government.

*GENERAL EDGCUMBE:* I am quite clear now that what the General says is that all these agreements, whether trade or air, must go through the ACC. I have been here since the beginning of the ACC, now in the third year, and never has any application been brought forward for a trade agreement or an air agreement for discussion at an ACC meeting. Can the General explain to me why we have never discussed these applications for agreements? We have known that the trade agreements have been made between Hungary and many countries but we have never raised the point that it was a matter in which the ACC should interfere. I would like to know exactly how far the General considers the ACC is entitled to interfere with these applications for either trade or air agreements.

*GENERAL SVIRIDOV:* In quite a number of questions the ACC has to either approach their own government or approach the Occupational Forces. For example,

the deportation of Schwabs; it was necessary to apply to and approach the American military forces in Berlin. The decision of the ACC had no meaning at all for the reason that the decision rested with the American military authorities. In regard to the return of Hungarian property taken away by the Germans, the ACC was forced to approach the power occupying the particular zone where this property happened to be. In regard to the return of prisoners of war, the ACC has to apply to the occupying power where these people happen to be and decide the question with the Hungarian Government. Quite a number of matters put up before the ACC are passed on to the interested power and do not concern the ACC at all. That is quite natural since we here represent our own particular governments. Therefore it is not surprising when the matter of decision in regard to air communications is decided by the High Command. We adhere to the terms of the Armistice and the rights given us under the articles of that agreement. Now General Edgcumbe raised the question as to why we did not discuss the matter of the conclusion of trade agreements between Hungary and England, Hungary and Italy, or any other country - quite a number of them. Such agreements have been concluded in the course of two years and such agreements are to the benefit, the advantage of both the Hungarian Government on one hand and the power with whom they conclude such an agreement. Therefore there was no reason to raise such questions in the meetings of the ACC because it was a normal procedure. It was considered to be a normal matter during the two years we have been here as the ACC. Furthermore, it has never been considered an important question of principle for the Hungarian Government. What shall we do in the future? Is it the opinion of General Edgcumbe that all matters like conclusions of trade agreements, etc., should be discussed and placed before meetings of the ACC? If that is so, then we shall have a meeting every day.

*GENERAL EDGCUMBE:* I definitely do not consider that trade agreements should be brought up. I agree they are quite normal matters. If I had thought they were matters that should come before the ACC I would immediately have raised the point. But I come again to this question of the agreement between "MASZOVLET" and the Romanian "TARS" and approval given for the Hungarian Government to negotiate agreements with neighboring countries. It is my opinion that this is an important matter. I thought it was an important matter right at the start and I do think we should have had that brought before our notice. When a country is under Allied control and they wish to start air communications during the period of Armistice, it seems to me it is a matter of principle that should be agreed here between us.

*GENERAL SVIRIDOV:* I understand then it is not a question of trade agreements. The matter in question concerns air agreements.

*GENERAL EDGCUMBE:* That is right.

*GENERAL SVIRIDOV:* Such agreements should be placed before the ACC?

*GENERAL EDGCUMBE:* Before agreement.

*GENERAL SVIRIDOV:* In order to answer every question, I would have to get information from the High Command and find out whether their view is that such a matter should be discussed by the ACC. The ACC can decide nothing without the Occupying Forces. For example, we might, as the ACC, decide that Hungary should conclude an air agreement, say with Switzerland, and the High Command say no.

*GENERAL EDGCUMBE:* I quite agree. General Sviridov says nothing can bypass the ACC, but it is first for us to decide whether we should put it before the High Command. In my opinion the application should come to General Sviridov. I consider that we should agree before we pass this to the High Command. We cannot give the permission but we can decide whether or not it should be passed on. I should like to ask at this point whether General Weems agrees with my last remarks.

*GENERAL WEEMS:* I am in accord with what General Edgcumbe said, but it seems we are dragging this question out rather excessively and I would like to request the Acting Chairman to give me a detailed reply to my letter of May 1st on this subject because in this letter I have given my understanding of what was said in the last meeting<sup>432</sup>. Now if General Sviridov will give me a reply to my letter, it might possibly straighten this matter out.

*GENERAL SVIRIDOV:* To my regret, General Weems in his letter of May 1st has only written me informing me but made no request for an answer (General Weems quotes from his letter of May 1st).

*GENERAL WEEMS:* I believe if the Acting Chairman will give me a detailed reply, paragraph by paragraph, we will have a little better understanding than we have had in the past two meetings.

*GENERAL SVIRIDOV:* I have answered this letter now orally, but if General Weems wants a written answer I shall do that.

*GENERAL WEEMS:* Thank you.

*GENERAL EDGCUMBE:* May I have a copy?

*GENERAL SVIRIDOV:* Yes.

*GENERAL EDGCUMBE:* If General Sviridov receives further applications from the Hungarian Government for air agreements, I would ask him to kindly allow us to be informed and to discuss them before he passes them to the High Command.

*GENERAL SVIRIDOV:* I will accede to your wishes and will reply to General Weems' letter. I understand General Edgcumbe's request is that should the Hungarian Government approach the ACC with a view to concluding an air agreement with any outside country that (1) all the members be notified and (2) it be tabled for discussion at a meeting of the ACC. Is that so?

*GENERAL EDGCUMBE:* That is right.

*GENERAL SVIRIDOV:* In regard to General Edgcumbe's letter of the 9th of May, I will reply along the lines I have just mentioned. Does this satisfy General Edgcumbe?

*GENERAL EDGCUMBE:* Yes. Thank you.

*GENERAL SVIRIDOV:* We can consider then that both the second and third points on the agenda, both covering the air problem, have been discussed and we can pass on to the next point on the agenda.

*GENERAL EDGCUMBE:* Fully discussed.

*GENERAL WEEMS:* Yes.

*GENERAL SVIRIDOV:* The next question is one raised by General Edgcumbe concerning Article 13 of the terms of the Armistice. General Edgcumbe's letter of the 11th of April complains that the Hungarian Government, or rather the Reparations Office, are not working satisfactorily in their dealing with property owned by British

<sup>432</sup> See document 45.

subjects. I sent this letter to the Hungarian Prime Minister<sup>433</sup> requesting him to take steps to improve the organization for dealing with matters concerning British-owned property. So far I have not received an official reply to my letter. About three days ago I was obliged to send one of my officers to see the Prime Minister and to inquire as to what steps are being taken. I received the following reply: After receipt of the letter from General Edgcumbe the Prime Minister himself personally looked into this matter. He sent for a Dr. Septai, who is the man who supervises claims under this particular article. Furthermore, the Prime Minister is preparing a letter addressed to General Edgcumbe dealing with this matter. Balogh István<sup>434</sup> took this letter and redrafted it and he sent for a man by the name of Berkes, instructing him to investigate and to study all the papers and documents relating to British property. Dr. Berkes at the moment is busy looking into all the claims of British-owned property about which General Edgcumbe has sent me letters from time to time. Furthermore, the Prime Minister has formed what he calls an Inter-Ministerial Committee to deal with these claims. Before his departure on the 14th<sup>435</sup> the Prime Minister instructed Balogh István to have a meeting and to go through all these claims. Dr. Balogh assured the officer sent by me that they would investigate quickly and inform us about these various cases. Also, Dr. Balogh will in a day or two send a letter to General Edgcumbe informing him of the steps taken in the various cases. That is the contents of the report made to me by my officer whom I sent there to investigate.

*GENERAL EDGCUMBE:* I would like to thank you very much, General, for the trouble you have taken in this matter. I want to give one example, a letter which I wrote on the 25th of January, quite an important letter, No. 403, regarding certain charges demanded of the British owners of securities. It was passed on to the Hungarian Government and General Sviridov made further inquiries on the 21st of April and we have no answer on it. That was on the 25th of January and here we are, the 20th of May, and we still have no answer from the Hungarian Government. My letter was No. 403 of the 25th of January. General Sviridov's reference is No. 169 of the 4th of February. I just quote this as an example. I did not furnish General Weems a copy of my letter but I hand him a copy of it now so he will understand what I am talking about.

*GENERAL SVIRIDOV:* I agree with General Edgcumbe in his opinion stated about the length of time it takes to deal with such matters.

The next question is one by General Edgcumbe in regard to war criminals. Furthermore, General Edgcumbe gives reference to the "Kossuth Népe" newspaper, the issue of the 12th of May. About that I have the following information: On the 31st of March the Minister of Justice and the Minister of the Interior sent a letter to the Prime Minister in regard to 33 war criminals. In that letter they requested the Prime Minister to send a letter to the Allied Council in Vienna requesting the surrender of these particular war criminals. As a result of the request by the Prime Minister that letter was sent to the Allied Council in Vienna, including a list of the 33 names sent up on the 31st of March. So far neither the ACC nor the Hungarian Government have received any decision given by the Allied Council in Vienna. Furthermore, I checked

<sup>433</sup> Ferenc Nagy

<sup>434</sup> Under-secretary of state at the Prime Minister's Office.

<sup>435</sup> Prime Minister Nagy left for Switzerland on the 14th.

up on the names contained in the lists provided for the Allied Council in Vienna with the lists printed in the newspaper "Kossuth Népe" and they agree entirely. Therefore the reply given by the Minister of Justice, as printed in "Kossuth Népe", is absolutely true and correct. As I have not received any information from the Allied Council I will in the near future write and inquire and when I have a reply I will inform General Edgcumbe and General Weems. That is the only letter we have received during 1947 in regard to war criminals. No others have been received. This letter indicates where these war criminals are said to be located, some of them in the United States Zone, the British Zone, the Soviet Zone, and even gives the addresses, but it is merely a supposition on the Hungarian Government's part that these people can be found at the addresses given. In some cases they merely said that the persons are in Austria and leave it to them to find out where they are. That is the information I have to give. Do you have any questions?

*GENERAL EDGCUMBE:* Thank you. The Prime Minister asked General Sviridov and General Sviridov sent the letter to the Allied Control Council?

*GENERAL SVIRIDOV:* Yes.

*GENERAL EDGCUMBE:* Thank you. That gives me all the information. I am quite clear.

*GENERAL SVIRIDOV:* The next question was also tabled by General Edgcumbe, concerning the death of three women who were killed by the Nyilas in 1945. In reply to General Edgcumbe's letter, we sent such information as provided by the Hungarian Police. But General Edgcumbe was not satisfied with the information given by the Minister of the Interior and requested to know what investigations were being made at the present time in regard to these three cases. I have again contacted the Minister of the Interior inquiring as to what actual investigations are taking place at the moment in these three cases. I asked the Minister of the Interior to expedite his inquiries in order to give General Edgcumbe a prompt reply. I have a letter from the Minister of the Interior saying that within ten days time he will give me all the information regarding the names of those persons who have been arrested and those who are still to be arrested and what other steps are being taken in the matter. One must say again here that these investigations are very long drawn out and are taking a very long time. One must say that a group of persons implicated have already been tried and sentenced, while on the other hand search for the others is still being carried on. This matter is not at the moment complete, the investigation is not complete.

*GENERAL EDGCUMBE:* Thank you, General. That is all I wished to know. I wish to point out I raised this point again because of the matter of principle. We asked the Hungarians to give us all the particulars that they could and when they wrote I didn't think they gave us all the information they could and since, as a matter of principle, I was instructed by my Government to request all the particulars again.

*GENERAL SVIRIDOV:* The next question is one concerning passes for members of the American and British Missions. A proof of such a pass is being prepared and I will request General Levushkin to exhibit it, also request General Edgcumbe and General Weems to make any remarks or suggestions. (General Levushkin handed Generals Edgcumbe and Weems samples of the pass).

*GENERAL WEEMS:* When going through Veszprém, Sopron, Győr and Szombathely, when merely passing through there, it is not necessary to report to the Kommandatura, is it?

*GENERAL SVIRIDOV:* If you have any particular business in any of those towns then it is necessary to report to the local Kommandatura.

*GENERAL WEEMS:* Do we send in the names of the people or do we fill in the names on the passes ourselves?

*GENERAL SVIRIDOV:* It will have to be done by us. We can not let the empty forms get around.

*GENERAL WEEMS:* All the Officers in the American Army are required to carry an identification card with picture.

*GENERAL SVIRIDOV:* General Levushkin says it is not necessary that these permits be printed in three languages because they will only be checked by Russian troops and if given a handful of documents it would only confuse them.

*GENERAL EDGCUMBE AND WEEMS:* Agreed.

*GENERAL SVIRIDOV:* I have a letter here from General Weems in which he informs me that apparently some Hungarian committee is at present negotiating with the Vatican about a treaty with them. About the fact that some kind of discussion on a treaty is going on, I have some information on this but this information is not official. I do not know anything about the results of these negotiations. Besides, when this Professor Tóth<sup>436</sup> from Szeged was sent to the Vatican there was no talk about diplomatic relations. He was sent there for entirely different reasons. Apparently he is there now and is also discussing with the Pope diplomatic relations, but I do not know anything about it and have not been informed about it. Officially nobody has mentioned to me or written to me about it and I have not noticed anything in the Hungarian press about it. I presume that these are probably preliminary discussions. I have nothing else to add on this subject for General Weems.

*GENERAL WEEMS:* I was curious because I saw it mentioned in two different Hungarian papers.

*GENERAL SVIRIDOV:* Apparently the papers know more than we do. There are no more points on the agenda.

*GENERAL WEEMS:* I wish to invite attention of the Acting Chairman to two letters, both dated May 16th, one with reference to 807 patents, property of German subsidiaries of the International Telephone and Telegraph Corporation of New York, and the other with reference to the denial for clearances for certain representatives of the Rockefeller Foundation. My Government is pressing me for information on these two points and I should like to have an early reply from the Acting Chairman.

*GENERAL SVIRIDOV:* All right.

*GENERAL EDGCUMBE:* I would like to mention that I received a letter from UNRRA saying that they are definitely closing on the 31st of May.

*GENERAL WEEMS:* In this connection, they are asking for clearance for their successor organization.

*GENERAL SVIRIDOV:* Permit me at this point to thank you for your attention and allow me to close today's meeting of the Allied Control Commission. The meeting adjourned at 16.45 hours.

711.9 Allied Control Commission, Record Group 84, Budapest Legation File, NA, Washington D.C.

<sup>436</sup> Presumably László Tóth of the University of Szeged, professor of literature.

*Conference of 18 June 1947*

Minutes of a formal ACC meeting where matters regarding Article 13 of the Armistice, the Hungarian Army, the resignation of Prime Minister Nagy and the ensuing political crisis were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

#### NOTES

A meeting of the Allied Control Commission for Hungary was held at 14.15 hours on 18 June 1947 in the conference room of the Soviet Headquarters in Bajza utca, near Andrásy út, Budapest, Hungary.

The meeting was called to order by the Acting Chairman, Lieutenant General V. P. Sviridov, who presided in the absence of Marshal Voroshilov.

Present were: *The United States Representation:* Brigadier General George H. Weems, Colonel John H. Stokes, Jr., Captain Allan J. Hackner.

*The British Representation:* Major General O. P. Edgecumbe, CBE, MC, Lieutenant Colonel H. P. Whitefoord, Lieutenant Colonel P. C. Capron, Captain C. F. Figures.

*The Soviet Representation:* Lieutenant General V. P. Sviridov, Major General I. I. Levushkin, Major General A. N. Kondratov, Captain U. K. Potapov.

The discussion was substantially as follows, subject to any discrepancies in the translation from Russian.

Note: No agenda was prepared by the Acting Chairman, but the following proposed agendas were submitted by the British Representation and the United States Representation:

#### *British Representation*

##### *1. Article 13 of the Armistice Terms and British property.*

Referring the discussion at the ACC Meeting on the 20th May<sup>437</sup>, it is desired to know what progress has been made by the Hungarian Government as regards improving the organization for dealing with queries in connection with Article 13. As regards this matter, letter BMH/401(c)Econ-Fin. of the 4th June 1947 showed a large number of outstanding queries, some dating back for nearly a year.

##### *2. Repairs to buildings which are British property and which are in a dangerous state of repair.*

It is desired to refer to letter BMH/401(195)Econ-Fin. of the 31st May 1947 regarding the demand by the District Magistrate of No. 5 District that immediate repairs be undertaken to the Gresham Building, failing which the owner would be liable to a fine of 3,000 Forints. It is pointed out that the state of this building, which is British property, is entirely due to war damage and that therefore the responsibility for their repairs rests with the Hungarian Government under Article 13.

<sup>437</sup> See document 46.

### 3. Hungarian Army.

Letter BMH/2/Mil. of the 3rd April requested certain information regarding the Hungarian Army. Reminders were sent on the 5th May and the 27th May, but the information is not yet forthcoming.

### 4. Maps of Hungary.

In letter BMH/20/Mil. of the 19th May a list of available maps of Hungary of recent date was requested for provision by the Hungarian Ministry of Defense. It is desired to expedite provision of this list.

### 5. Resignation of the Prime Minister and change of Hungarian Government<sup>438</sup>.

In accordance with Paragraph 6(c) of the Memorandum showing the position of the ACC in Hungary (ACC letter No. 615 of the 14th August 1945) it is desired to receive copies of the documents which were handed over by the Deputy Chairman, ACC, to the Hungarian Government and as a result of which the resignation of the Prime Minister took place. (BMH/979/Sept. of the 4th June and 5th June 1947 refer).

### 6. Clearances.

(a) It is desired to know the reasons for the denial of clearances in respect of Messrs. Pickup, Moffat and Cassin. (Letter BMH/901/Sept. of the 7th May refers).

(b) It is also desired to know the reason for the refusals of Messrs. Partridge and Ochsner. (Letter BMH/901/Sept. of the 3rd June refers).

(c) It is desired to obtain clearance as soon as possible for Messrs. Georgel and Cudlip (letter BMH/901/Sept. of the 30th May refers).

### 7. Repatriation of Hungarian Displaced Persons from Palestine.

A list giving the names of 105 Hungarian displaced persons now in Palestine was forwarded with letter BMH/7/Mil. of the 13th May 1947. It is desired to obtain approval for repatriation of these persons to Hungary as soon as possible.

### United States Representation

#### 1. Recent Political Crisis.

At the meeting of the Allied Control Commission on 4 March 1947<sup>439</sup> the question of the arrest of Mr. Kovács Béla was mentioned. My letter of 4 June 1947<sup>440</sup> asks for full information on reports transmitted by the Acting Chairman to the Hungarian Government.

#### 2. Inspection of Hungarian Army.

The Acting Chairman's letter of 2 June 1947, No. 564, states that the Statutes of the Allied Control Commission do not give the right of my officers to visit parts

<sup>438</sup> Prime Minister Ferenc Nagy went on a Swiss vacation on 14 May. This opportunity was seized by the Communist Party to clamp down on the governing Smallholders' Party and the Prime Minister on the pretext of his alleged implication in the so called Hungarian Community conspiracy. Despite repeated requests by Nagy before his departure, General Sviridov refused to hand Béla Kovács over to the Hungarian authorities. (See footnote 403.) General Sviridov stated that the investigation was in process and handed over some police records to Nagy's Communist Deputy Mátyás Rákosi containing Kovács' alleged confessions against the Prime Minister. The intimidated Smallholders' Party leaders complied with the Communist demand and consented to the Prime Minister's resignation. Since he was threatened with arrest by the Political Police, Nagy, after having communicated with Budapest by telephone, resigned on 31 May and fled to the USA. Lajos Dinnyés, former Minister of Defense, was appointed as Prime Minister on 2<sup>nd</sup> June 1947. See, Ferenc Nagy, *ibid.* pp. 387-426.

<sup>439</sup> See document 43.

<sup>440</sup> See PRUS 1947, vol. IV, pp. 309-311.

and units of the Hungarian Army. My letter of 3 June 1947 is in reply. It is desired to discuss this matter in more detail and to get copies of any reports that have been submitted to the Acting Chairman by the Minister for Home Defense.

### 4. CARE (Cooperative American Remittances to Europe).

Reference is made to my letter of 5 June 1947 asking for clearance for Mr. William Cholko of the CARE organization. Information is desired as to why the Occupational Forces object to this welfare organization operating in Hungary.

### 5. MASZOVLET.

My letter of 5 June 1947 to the acting Chairman asks that certain information be passed to the Hungarian Government regarding the flights of this company. Certain information from the Hungarian Government was requested.

### 6. TUNGSRAM.

This subject was discussed at our meeting on 20 May 1947. My letter of 7 June 1947 gives exact information as was requested in the meeting on 20 May 1947. It is desired to know what steps have been taken to correct the error that has been made.

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*GENERAL SVIRIDOV:* The first item on the agenda is one tabled by both General Edgcumbe and General Weems concerning documents in the case of Béla Kovács. I should like to remind both Generals that I sent them a written reply dated the 9th of June. Furthermore, at the meeting I had with the Prime Minister, Mr. Dinnyés Lajos, I learned that the Hungarian Government is publishing a book with photostatic copies of all the documents<sup>441</sup>. They tell me that this book will be published or issued this week and without a doubt General Edgcumbe and General Weems will be able to receive a copy of this book from the Hungarian Government. All the material will be included in this book, together with photostatic copies of the documents. Furthermore, this material was widely published on the first of June in the press. That is in short, in a few words, my answer to that question.

*GENERAL EDGCUMBE:* Well, General. I should like to refer now to the reply that was given me on the 9th of June. I want to make it quite clear that in the opinion of my Government the reference to paragraph 6c of the Statutes of the ACC, which was quoted in my letter to the General, is definitely considered as relevant in this case, and that it is considered that copies of the documents should have been produced by General Sviridov for the information of my Government at my request. I note what General Sviridov says with regard to the information being forthcoming in a book and also that it was published in the papers, but the point that I wish to make is a point of importance as regards the Statutes and the procedure of the ACC. Now I would ask General Sviridov and General Weems, if they have available, to look at the terms of the Armistice. If you will look there you will see that throughout the terms of the Armistice the expression is used "the Government of Hungary will do this" and "the Government of Hungary will do that", and if you want the particular example which covers really also the Armistice terms, you will look at the Annex to Article 18 and there you will see the second sentence "The Government of Hungary and its organs

<sup>441</sup> The documents were published by the Ministry of Information in June 1947, *Fehér Könyv: A magyar köztársaság és demokrácia elleni összeesküvés okmányai*. [White Book: Documents Relating to the Conspiracy against the Hungarian Republic and Democracy.]

shall fulfill all instructions of the Allied Control Commission arising out of the Armistice Agreement." Well now, General Sviridov, who is the Deputy Chairman of the ACC, it is understood, and I think there is no dispute about it; that he passed a certain document to the Hungarian Government and as a result of that document being passed to the Hungarian Government the Prime Minister, first of all he resigned, following that there is a new Prime Minister<sup>442</sup> and a new Foreign Minister, and I will have you note that the Armistice terms was signed by Mr. Gyöngyösi and also by István Balogh both of whom, as a result of the reorganization of the Hungarian Government, have gone. Therefore, as a result of certain actions by General Sviridov, a new government, a change in the heads of the government and Parliament<sup>443</sup> of the government took place. I do not think anybody could possibly dispute that a change of government affects the ACC because the ACC is charged with seeing that the Government of Hungary fulfill the terms of the Armistice. Well, that being so, I am afraid I entirely disagree, and I cannot accept the statement of General Sviridov that the question of the documents has no connection with the activity of the ACC. In the opinion of my Government the documents and the result therefrom directly affect the activities of the ACC. And furthermore, General Sviridov, I would like you to know that my own personal reaction when I heard of this was immediately to say to myself, well that affects the ACC. Now I would ask you to look at the actual wording of the Statutes, 6c. Well now, there it states that the Representatives of the United Kingdom and the United States will have the right to receive copies of all information, reports and other documents which may be of interest to the Governments of the United Kingdom and the United States. Well now, the question is who can interpret what is of interest to the Governments of the United Kingdom and the United States. In the opinion of my Government, and in my own personal opinion, it certainly cannot be left to the interpretation simply of the Chairman to decide what can interest because if that was so we would cease, I as Representative of the United Kingdom would cease to exist, and the Chairman of the ACC would provide such copies as he sees fit. And in the opinion of my Government, they understand that any documents which are of interest in connection with the activities or the control of the Allied Control Commission should be provided if asked for. Well, that is rather a long explanation and just to summarize briefly again, my Government consider that these documents are relevant because the Government of Hungary — in other words, the Cabinet, their composition — is definitely a matter of interest as affecting the ACC. Furthermore, my Government do not accept that the Chairman or Deputy Chairman of the ACC can interpret paragraph 6c according to his own particular wishes at the time. Therefore my Government still instruct me to press the Chairman, to press General Sviridov, to provide copies of these documents to me as a Member of the ACC and are not agreeable for us to read what is published publicly or to accept what we have seen in the newspapers. I have taken up a little time with that, I am afraid, but it was my duty to explain fully, and so I would now like General Sviridov to tell me whether, having regard to what I have said, he is prepared to revise his opinion and will provide the requested documents.

<sup>442</sup> Lajos Dinnyés, became the new Prime Minister (1901–1961), who served as Minister of Defense in Nagy's Government.

<sup>443</sup> Béla Varga of the Smallholders' Party was replaced by Árpád Szabó of the Smallholders'.

*GENERAL SVIRIDOV:* Does General Weems have anything to say on this subject?

*GENERAL WEEMS:* I agree in general with the position taken by General Edgcumbe. I wish, however, to make one or two additional points. It appears that any important change in the Government of Hungary during the period of the Armistice is certainly a matter of considerable interest to the Members of the ACC, as well as to the Governments that they represent. Therefore it would appear that paragraph 6c, as also paragraph 6a, of the Statutes certainly are applicable in the case of the resignation of the Prime Minister and the Foreign Minister of Hungary. It is noted that the communiqué released by the Hungarian Government on the 28th of May states that the Acting Chairman turned over to the Hungarian Government evidence given by Béla Kovács and other witnesses investigated. It is my understanding that Béla Kovács was arrested for crimes directed against the Soviet Occupational Forces. It seems unusual, therefore, that the Soviet investigation authorities should be investigating matters pertaining to the alleged plot against the Hungarian Government. This, in the face of it, would appear to be a rude interference by the Occupational Forces into the internal affairs of Hungary. The Hungarian communiqué referred to above mentioned other witnesses. I should like to know the names of those witnesses and particularly was the name of one Jaczkó Pál<sup>444</sup> included. In conclusion, I wish to ask in connection with the appointment of the new Ministers, can the Acting Chairman give me assurance that no influence was brought by the Soviet authorities in Hungary in connection with the appointment of new officials of the government.

*GENERAL SVIRIDOV:* I will attempt to answer the questions raised. In my opinion General Edgcumbe and General Weems will not deny the following facts. The documents I turned over to the Hungarian Government were not in my capacity as Deputy Chairman of the ACC. These documents have been turned over by General Sviridov on the request of the soviet investigating authorities. I have fulfilled simply the function of an intermediary in this case. These documents have no connection whatever with the activity of the ACC. I was authorized to turn over these documents only to the Hungarian Government and nobody else. I consider that all this that has been written about the Statutes of the ACC or the Armistice terms pertains only to the activities of the ACC. In my opinion it cannot be interpreted that, regardless of what documents General Edgcumbe or General Weems will request. I should turn them over. I think that this is a wrong interpretation of the Statutes and articles mentioned. In the same order I would not have the right to ask General Edgcumbe or General Weems for some documents of their investigating powers, for instance in Austria, that these documents be turned over to me. This would be denied if I requested anything like that and with right. I would not request such documents from the British or the Americans, let us say in Austria, because they have no connection with my activities. Based on this principle, on this thought investigating documents in the hands of the Soviet investigating authorities can be turned over by them only to those people or office to whom they desire to turn them over. I think, and it is my opinion, that only in that manner can Article 6 and its subparagraphs be interpreted. General

<sup>444</sup> Jaczkó, Pál (1916–1999), jurist, lord-lieutenant of Vas county in 1945, Member of Parliament. He was arrested in 1947 as a member of the Hungarian Community and sentenced to "at least 5 years" forced labor



Edgcumbe, for instance, might demand from me tomorrow some other documents and I would have to procure them for him and I do not think that any place in the Statutes of the ACC is meant that I should do that. I interpret Article 6c, and I find this interpretation is correct, to pertain only to documents that have been originated or have been made either within the activities of the ACC or by the Hungarian Government, since it is the function of the ACC to supervise the Hungarian Government - anything that is within the walls or the frame of the activities of the ACC. Therefore I have specifically indicated in my letter to the Hungarian Government that General Sviridov turned over these documents in the name of the Soviet investigating authorities and there was no talk, no mention about General Sviridov's position as Deputy Chairman of the ACC. The second thing I would like to say on this subject is that nobody attempted to hide the text of these documents and they were immediately published on the first of June, the full text of them. Besides that, these documents will be published and put into this publication that is being prepared by the Hungarian Government and they will be public knowledge, they will be known to the entire world. The Hungarian Government, instead of giving me, General Sviridov, copies of these documents will give me a complete study, with photostatic reproductions of these documents, and everything will be assembled in this publication. This publication, this book, will appear this week and when it appears it will be public property and will be accessible to every one. The claim and the statement made by General Edgcumbe that these documents pertain to the activities of the ACC are, in my opinion, without foundation. I also mentioned in my letter of the 9th of June to General Edgcumbe that I have asked the Soviet investigating authorities to permit me to pass copies of these documents to General Edgcumbe. I regret that up to date I have not yet received an answer from the Soviet investigating authorities. This is the first part of my information on this subject.

The second part of my knowledge is that it is not my fault, and it is not the fault of General Edgcumbe or General Weems, that the former Prime Minister of Hungary, Nagy Ferenc, refused to return to Hungary at the time when there were no accusations placed against him. As it is known to you, Nagy Ferenc was at that time in Switzerland, in Bern, and being there we could not have any influence on him while he was there. This was his personal decision to remain there and not to return to Hungary, and to turn in his resignation. General Edgcumbe and General Weems are familiar with the events that resulted in the resignation of Nagy Ferenc, that no influence of any Soviet authorities has been exercised<sup>445</sup> and that all the events that took place were done in an orderly and in a legal procedure. The name of the new Prime Minister, Dinnyés Lajos, was placed forward by the members of the Smallholders Party themselves. He, in the capacity of the Prime Minister, has been recognized and accepted by all concerned, namely the President of the country, the Parliament and the entire Hungarian society. We also know that he is not a Communist, he is not a Social Democrat; he is a member of the Smallholders Party, he is a former landowner and, if you want to call it, there are no red spots on him whatever. (General Kondratov

<sup>445</sup> This was not true. Stalin personally instructed Mátyás Rákosi to clamp down on the Smallholders' Party and the Prime Minister in the latter's absence. For further details, see, *Rákosi Mátyás Visszaemlékezései* [The Reminiscences of Mátyás Rákosi], Budapest, 1997, vol. 1, p. 377.

added that he is even now a landowner, and General Sviridov used a Russian saying meaning "we can not see what's this excitement about.") I think that General Edgcumbe and General Weems know the results, the statements that have been made by the President, by the new Prime Minister himself, by the entire Hungarian press, that everything was done in a legal manner and is to everybody's satisfaction. As far as it concerns the position of the Foreign Minister, Mr. Gyöngyösi, I was informed by Mr. Balogh István himself that he was called upon to resign by his party, by the Smallholders Party, first of all because of his health and secondly because his views, his politics, were not in agreement with the views of his party. All the events that took place in Hungary took place under our very eyes and we were all able to observe the happenings. Therefore the statement made by General Weems that this was a rude interference on the part of the Soviet investigating authorities in the affairs of the Hungarian Government are entirely without any foundation, without any basis. It is also necessary to add that these documents have been turned over to the Hungarian Government on their own request. It is not the fault of the Soviet investigating authorities that Kovács Béla, in his signed confessions, not only confessed to activities and participation in sabotage and espionage and the organization of underground armed groups against the Occupational Forces but also admitted his participation in the plot and has also implicated several other personalities in Hungary like Nagy Ferenc, Varga Béla, and a few others. It would not be correct on the part of the Soviet investigating authorities if they would have turned over to the Hungarian Government only part of the confessions made by Béla Kovács. They have turned over his complete confessions as they were, including his participation in the plot and mentioning several other personalities. I want to emphasize again the statement in reply to General Weems' statement that there was no influence or interference whatsoever on the part of the Soviet Occupational Forces on the Hungarian Government. That is all I have to say on the statements and questions that have been raised on this subject.

*GENERAL EDGCUMBE:* I am very sorry that General Sviridov still takes his view about these documents. He tells me that he considers they are not relevant to the ACC, and in the reason that General Sviridov gave he referred to the possibility of his asking me for similar documents regarding Austria. Well, with all due respect to General Sviridov, I must say that that, if anything, is irrelevant. All I am asking for is documents which affect the Hungarian Government, and as I pointed out before, anything which affects the Hungarian Government as a whole must, in the opinion of my Government, affect the Allied Control Commission. The General says that he was empowered by the Soviet military investigating authorities only to hand over to the Hungarian Government. Now I presume that General Sviridov, when he handed over these documents, must have realized that the result was likely to be serious and would have an effect upon the whole Hungarian Government. Now apparently that is the point where General Sviridov and I continue to disagree. He and I both form a part of the Allied Control Commission and whether documents originate with the Allied Control Commission or whether General Sviridov actually handles the documents, if those documents have an effect on the Hungarian Government as a whole, therefore an effect on the Allied Control Commission activities as a whole, then I say again that I consider General Sviridov should have provided a copy to me. Again I say I am sorry we disagree, but I would like to make perfectly clear to General Sviridov

that if I had been in his place I would quite definitely have informed him because I would have realized that this was a matter of great interest to his Government and I would therefore have immediately told the investigating authorities, I would have said that this was a matter which is obviously going to affect the Government of Hungary and to affect the ACC, and I would have said "I must tell you that it is my duty also to inform my colleagues on the ACC." That is what I would have done and I am sorry that General Sviridov did not take that action and then there wouldn't have been all this fuss and as a body we would have known what is happening. Now General Sviridov says that he was simply passing it on as General Sviridov from the Soviet investigating authorities. I presume the Soviet investigating authorities are the Occupational Forces. Now I have heard rumors, I do not like rumors but I want to be absolutely clear in my mind. We have had many talks of different matters, clearances I am afraid is one of them, and there have been many other matters, when General Sviridov said "I am referring to the Occupational Forces and I have to take their decision." Now the rumors I have heard, I do not generally refer to rumors because I do not like rumors, was that the recent organization here now, was that General Sviridov was not only the Chairman of the ACC but was also the Commander of the Occupational Forces. I do not believe it is true because I feel certain the General would have told us.

One other point I would like to make now. General Sviridov said "I am handing this over as General Sviridov on the behalf of the investigating authorities or the Occupational Forces, and that seems to be one good reason for it not affecting the ACC." Well, we all know how according to the Statutes of the ACC any communications, which I make to the Hungarian Government, have got to be through the President or through the Deputy President. Well, I consider, basing my arguments on some of the arguments which General Sviridov has given us, I might start communicating direct to the Hungarian Government and next time I would say, "I am sorry, I am communicating just as General Edgcumbe. I, General Edgcumbe, am doing this on my own." Just to summarize that, I want to say again that my Government do not accept the statement or the opinion of General Sviridov that these documents do not affect the ACC and therefore do not come under 6c of the Statutes, and I would like General Sviridov to assure me that there has been no recent change in the setup here and there is a separate Occupational Forces, as I understand there always has been.

*GENERAL SVIRIDOV:* I repeat again that the documents turned over through me are documents from the Soviet investigating authorities and have no connect whatsoever with the activities of the ACC. On the other hand, the Soviet Occupational Forces communicate with the Hungarian Government through me, they do not go directly to the Hungarian Government. Therefore, I have found myself in the position of an intermediary in turning over these documents to the Hungarian Government as requested by the Soviet Occupational Forces. I am not the Commander of the Soviet Occupational forces. I only turn over, when requested by the Soviet Occupational Forces, the matters that they ask me to transmit to the Hungarian Government. The situation is such that besides my function as Deputy Chairman of the ACC I am also the liaison man between the Soviet Occupational Forces and the Hungarian Government. This role of a liaison man, the man in between, I also play on the subject of clearances to enter Hungary. I am, then, liaison man also between the Soviet Occu-

pational forces and the authorities requesting clearances. If I were the Commander of the Soviet Occupational Forces, that would have been known to everybody a long time ago. This last remark about my position as the Commander of the Occupational Forces is not correct<sup>446</sup>.

*GENERAL EDGCUMBE:* Thank you.

*GENERAL SVIRIDOV:* I also want to add that when I turned over these documents, these confessions, they were written in Hungarian and were written by hand. I was not able at the time to investigate those papers and I am also not a lawyer to have judged by reading those papers that they would have any relation to the other members of the ACC, and I therefore just passed them on to the Hungarian Government. I personally did not have any copies and have also not been instructed by the Soviet Occupational Forces to turn over copies both to the Hungarian Government and to General Edgcumbe. It was physically impossible because I did not have copies of these documents. On the request from General Edgcumbe that the Hungarian Government turn over copies of these documents, the Hungarian Government decided to publish the collection of all these documents so that they will be accessible to every one. I want also to emphasize the fact that the text of these documents is not being kept a secret. They have been published and are public knowledge and no attempt is being made to hide anything that was mentioned in those documents. If we should return again to the Statutes of the ACC, paragraph 6c that [...] to turn over all documents of any kind immediately to General Edgcumbe and General Weems, I do not think that these Statutes can be interpreted in that manner. This article of the Statutes of the ACC must be interpreted directly as only to documents pertaining to the activities of the ACC. Documents that do not pertain immediately to the activities of the ACC can be turned over to the members of the ACC only if instructed so by the Soviet authorities. This condition is true not only for me, General Sviridov, but also for General Edgcumbe and General Weems. In my opinion this paragraph of the Statutes can be interpreted only in this manner.

*GENERAL EDGCUMBE:* Thank you, General. I don't want to say any more except that I am sorry you take one view and I take the other. My Government, I know, will be most interested in this, and they will still take the view that we should have received a copy at my request of these documents. I would like to say here now that it seems to be a great pity that there should have been all this difficulty in getting a copy when it is going to be published. It would have avoided a great deal of misunderstanding if I could have received a copy when I asked for it. I think the General will understand that when important things happen, such as a change of government in Hungary, my Government will immediately want to know from me what I know about it and all about it, and in this case I could only say what I have seen in the papers and that General Sviridov, the Deputy Chairman, has told me nothing. And so in this particular matter, as far as I am concerned, we must leave it and we must agree that we differ in our points of view over this particular interpretation of paragraph 6c. At the same time I want to thank General Sviridov for all the trouble he has taken to explain his point of view and I am glad to receive his explanation that he is not the Commander of the Occupational Forces, which I never thought he was. You hear

<sup>446</sup> General V. V. Kurnsov was the commander-in-chief of the Occupational Forces in Baden.

rumors of all sorts in a place like this and when I hear a rumor about a friend of mine I want to know the truth. That is all I have to say on that subject. Thank you.

*GENERAL WEEMS:* I should like to ask one or two questions. I understood General Sviridov to say that the Hungarian Government asked for the documents involved in this investigation. Is that correct?

*GENERAL SVIRIDOV:* This was requested by the former Prime Minister, Nagy Ferenc. He requested this from the Soviet Ambassador, Mr. Pushkin, asking that either Kovács Béla be turned over to the Hungarian Government of the investigation documents that have been made.

*GENERAL WEEMS:* Thank you. That answers that question. One more, in regard to other witnesses than Kovács Béla. Was testimony turned over in the case of Jaczkó Pál? Does the General remember that?

*GENERAL SVIRIDOV:* As far as I can remember, among the documents that have been turned over to the Hungarian Government there were also statements and confessions made by Jaczkó Pál. Jaczkó Pál was one of the witnesses, one of the people that made statements; also several others, one of which is Arany Bálint<sup>447</sup>.

*GENERAL WEEMS:* The reason I asked the question in the case of Jaczkó Pál, it was my understanding that this individual had been investigated by the Hungarian Police and I was unable to understand now why he was in the hands of the Occupational authorities.

*GENERAL SVIRIDOV:* Jaczkó Pál is also accused of participating in the organization of underground armed bands to attack the Soviet Occupational Forces. Therefore our Soviet authorities have requested from the Hungarian Police that the statements and testimony of Jaczkó Pál be shown to them and they have been shown. Jaczkó Pál is not in the hands of the Soviet authorities but his testimony has been received and turned over to the Hungarian Government.

*GENERAL WEEMS:* In conclusion, I want to state that my Government views the interpretation of paragraph 6c of the Statutes as described by General Edgcumbe. That is all I have to say.

*GENERAL SVIRIDOV:* The next question concerns the Hungarian Army. All the information received by me from the Minister of Defense<sup>448</sup> is set forth in these papers which I have here, that is in answer to the requests by General Edgcumbe and General Weems, and I hand these documents over now.

*GENERAL EDGCUMBE AND WEEMS:* Thank you.

*GENERAL SVIRIDOV:* If General Edgcumbe and General Weems so desire, General Kondratov will deal with the information as already stated in the document. In other words, he will merely repeat what is set down in the papers. He will naturally say only what information is set down in those papers.

*GENERAL WEEMS:* I see no reason for that. We will all have it translated.

<sup>447</sup> Arany Bálint (1901-1987), engineer, campaign manager of the Smallholders' Party in Budapest from 1945. He was one of the first persons to be arrested in December 1946 in connection with the Hungarian Community case. Arany was sentenced to forced labor for life in April 1947; this sentence was reduced by the Supreme People's Tribunal to 12 years forced labor.

<sup>448</sup> Lajos Dinnyés replaced Ferenc Nagy as Prime Minister in June 1947, however, he kept his former appointment, Minister of National Defense, until September 24 1947.

*GENERAL EDGCUMBE:* If we have any question we can put it in writing to General Sviridov, and we will save time.

*GENERAL SVIRIDOV:* If you have no objections, General Weems, then I agree to that.

*GENERAL WEEMS:* In connection with this, I wish to mention that the Minister of Home Defense stated recently that his bureau, his Ministry, turned over several times each month information on the Hungarian Army. If such be the case, I should like to have copies of that information.

*GENERAL KONDRATOV:* Such information concerns numbers like the actual strength of the Hungarian Army and all that information is contained in this document which has just been handed over to General Edgcumbe and General Weems. Such information as we get concerns the strength of the army — so many generals, so many sergeants, so many privates, and so on — just numbers.

*GENERAL WEEMS:* May I ask also if this pertains to armament and ammunition.

*GENERAL KONDRATOV:* All about armament, strength, weapons. There is no mention made of ammunition. The arms of the personnel are included.

*GENERAL WEEMS:* Thank you.

*GENERAL SVIRIDOV:* The next question is one regarding maps of Hungary.

*GENERAL WEEMS:* I think we have not completed the question of the Hungarian Army as I had it listed. May I continue on with that question? General Sviridov's letter under date of June 2nd stated that the Occupational Forces cannot give approval for visits to Hungarian Army units by members of my staff.

*GENERAL SVIRIDOV:* That is so.

*GENERAL WEEMS:* I can not understand why that should be the decision of the Occupational Forces in view of paragraph 1d of the Armistice Agreement.

*GENERAL SVIRIDOV:* The Hungarian Government has carried out that point.

*GENERAL WEEMS:* It charges the Allied Control Commission with carrying out that point.

*GENERAL SVIRIDOV:* At the end of the war the Hungarians had two divisions and those two divisions exist today. They had frontier guards and they exist today without any alteration. Furthermore, they had military districts and such military district as they had then exist today without any change.

*GENERAL WEEMS:* However, I cannot see why the Occupational Forces would object to members of my command going to Hungarian Army units, of course with the approval and understanding of the army authorities, for a visit. I would like to know why the Occupational Forces would object to that, particularly in view of paragraph 1d.

*GENERAL SVIRIDOV:* They are right. That is provided for in subparagraph 1c<sup>449</sup>. In other words, during the period of the Armistice the Hungarian Army is under control of the Soviet Forces. Therefore, the Occupational Forces have the right to give permission or not to other Powers to visit Hungarian Army units.

*GENERAL WEEMS:* Could the Chairman give me the reasons why the Soviet authorities object to the visit by my staff to Hungarian Army units?

<sup>449</sup> See Annex A.

*GENERAL SVIRIDOV:* Because there is no agreement on that point provided. That was never foreseen, the actual visiting of the Hungarian Forces by representatives of the other Powers.

*GENERAL WEEMS:* We have on two occasions visited the activation of Hungarian divisions and I could see no object, and certainly it seems to me to be in contravention of paragraph 1d that my staff cannot visit Hungarian Army units.

*GENERAL SVIRIDOV:* I have no right to question decisions of the Occupational Forces but if you desire I can again put the matter up before the High Command.

*GENERAL WEEMS:* I would appreciate it because I feel that their decision is in direct contravention of the paragraph of the Armistice which charges the Allied Control Commission with the supervision of the Hungarian Army, and if we are not permitted to visit the Hungarian Army we certainly cannot have any part of that supervision.

*GENERAL SVIRIDOV:* I repeat that the Hungarian Army was called upon to provide eight divisions whereas they actually only provided two under the direct control of the Soviet Army Forces and it is their decision not to permit the visits. I repeat once more that I will again put this question before the High Command.

*GENERAL WEEMS:* Thank you. Perhaps General Edgcumbe would like to express his opinion on this matter.

*GENERAL EDGCUMBE:* We seem to be busy trying to interpret the Armistice terms and it seems quite clear to me that paragraph 1c refers to the period when the fighting was on. It concludes in paragraph 1c that the forces will not be used on allied territory without the consent of the allied government concerned. In fact the whole inference of paragraph 1c is that it refers to the period of fighting, during the war against Germany. Paragraph 1d, on the other hand, refers to the period on the conclusion of fighting, the hostilities against Germany, and it quite clearly says that the Hungarian Army is demobilized and put under the supervision not of the High Command, it says under the supervision of the Allied Control Commission. I do not know what General Sviridov's opinion is but I certainly cannot supervise a thing which I haven't seen, therefore, my opinion is that the Soviet High Command are not in order to say that visits by any of the representatives of the ACC should be forbidden.

*GENERAL SVIRIDOV:* I take it that these articles were drawn up to cover the period of fighting and also the period of Armistice, until such time as the Peace Treaty is signed and ratified. My view is that the terms as stated here are in force until the Peace Treaties are ratified and deposited in Moscow. Furthermore, there are the Statutes of the Allied Control Commission that set forth the rights of the members of the Allied Control Commission. But in the Statutes no provision is made for the visiting of Hungarian Army units by members of the Allied Control Commission and since such a right is not given in the Statutes of the Allied Control Commission then the Soviet Occupational Forces are right in not giving permission for other Powers to visit units of the Hungarian Army.

*GENERAL WEEMS:* I should like to invite attention to paragraph 6d of the Statutes. It says that British and American representatives are authorized free movement anywhere in the country.

*GENERAL SVIRIDOV:* Your officers do not go about blindfolded and nobody can prevent them from looking around them and seeing the Hungarian Army and also the Soviet Army.

*GENERAL WEEMS:* I do not see why the Occupational Forces take it upon themselves to prevent us from visiting units of the Hungarian Army.

*GENERAL SVIRIDOV:* Merely because no provision is made in the Statutes of the ACC.

*GENERAL WEEMS:* At any rate I appreciate the offer of General Sviridov to look into the matter further and I am willing to drop the question now.

*GENERAL EDGCUMBE:* In my opinion the reason why the Statutes contain nothing to allow the visits is because it is perfectly clear in 1d that the ACC supervise it. Could the General explain what is the supervision if we can not visit?

*GENERAL SVIRIDOV:* Personally I have never visited not only a division but I have never visited a company, and as far as I know none of my officers have paid similar visits. The Hungarian Army is directly controlled by the Minister of Defense and the Ministry of Defense and they come under direct operational control of the Soviet Occupational Forces who receive information, and in that way they exercise a control over the army. Such information is passed to us by the Hungarians and also by our own people.

*GENERAL EDGCUMBE:* Thank you, General. All I can say is that it is not very well worded in the Armistice terms.

*GENERAL SVIRIDOV:* The next question pertains to maps of Hungary in possession of the Hungarian Ministry of Defense. I would like you to clarify a bit what maps exactly and what scale do you require.

*GENERAL EDGCUMBE:* When I wrote my letter on the 19th of May I especially asked for a list of the maps that they have because from that I can then judge what maps would be of use to my Government. They naturally wish to have maps available and it is for that very reason I requested a list and then I can ask for a copy of certain maps on the list. If I can have a list, I should be very grateful. We have different scales and different methods of describing maps, naturally, in the British Army and if I were to describe them by our scales I should probably describe them wrong. What I would like is to have the General get me a list of what maps are available.

*GENERAL SVIRIDOV:* General Weems requested a complete set of maps of the latest issue.

*GENERAL WEEMS:* In connection with my entry on the agenda of that point of maps, I would like to invite attention to the fact that Annex to Article I of the Armistice directs the Hungarian Government to hand over to the Allied High Command certain information, including charts and maps and all operational documents relating to the military operations of the German armed forces. My Government would like to know what was turned over and particularly desires a complete set of the latest maps of Hungary.

*GENERAL SVIRIDOV:* I personally had a conversation with the Minister of Defense and I received the following answer: The Hungarian topographic organ has no latest maps and no equipment for producing maps. Part of the equipment was taken away, part was dismantled or destroyed, and in order to issue maps 1 to 10,000 or 1 to 50,000 the Hungarian Ministry has no equipment for doing so. The Ministry

of Defense has no topographical section at all. The topographical section that was in existence disbanded itself at the end of the war. I told the Minister of Defense that he must have had a reserve supply of maps and asked where they were. His reply was that such reserve of maps was in the hands of the various staffs of corps, divisions, and so on, and they were partly destroyed and partly taken out of the country in the hands of Szálasi's staff, and in that way they disappeared. The maps in possession of the general staff here in Budapest were taken away by Szálasi when he left. Today the Minister is in a very bad position because he has no maps with which to carry on maneuvers or exercises. To all our requests for documents from the general staff, the answer is always the same, that Szálasi and the general staff, when they left Budapest, took these away with them. It is quite possible that these documents and maps are hidden away somewhere, perhaps in the American Zone of Austria. We should be very glad if the American authorities will make some endeavor to trace these documents and maps. The fight for Budapest lasted quite some time and they had a chance to take them away with them. Furthermore, the building itself of the general staff was burned and destroyed.

*GENERAL WEEMS:* I thank the General very much.

*GENERAL SVIRIDOV:* Here is an example of the maps that we received from the Hungarian Ministry (handed maps to General Edgcumbe and General Weems).

The next point on the agenda is the fourth question, on the subject of MASZOVLET. The letter that was written by General Weems, I turned over to the Hungarian Government. This is the statement that airplanes of the MASZOVLET company will not be given permission to fly over the American Zone of Occupation. This letter has been turned over and I have to inform General Weems the following. The MASZOVLET company have sent twice their planes to Zurich, Switzerland. These were single flights and in each case they were made with the permission of the American occupational authorities. I have the following information received from the general director of the MASZOVLET company, the official in charge of air transportation, and from the Ministry of Transport [and Communications], Dr. Mester, stating that permission was received from the occupational authorities. This permission was turned over to Dr. Mester by an employee, an interpreter of the American Military Mission, Dr. Szemery Magda.

*GENERAL WEEMS:* I want to get particulars of that. I would like to have a letter from this individual who got that permission from my Mission.

*GENERAL SVIRIDOV:* All right. I do not understand the doubt about it because they had to make four flights, two flights back and forth, over the occupied zone. If this plane would not have this permission I do not think it would have returned to Hungary, it would have probably been forced to land some place along the route.

*GENERAL WEEMS:* Thank you for the information in regard to the flights, and since I have the subject listed I should like to know if the Hungarian Government has approached the Acting Chairman on the subject of negotiating an agreement with Sweden.

*GENERAL SVIRIDOV:* Until now there is no talk on this subject. The MASZOVLET company has up to date concluded only two agreements, one with the Rumanian group, TARS, and the other one with the Czechoslovakian group in Prague. No other agreements have been made to date.

*GENERAL WEEMS:* Should the Hungarian Government ask to conduct negotiations for airlines to Sweden, what would be the answer?

*GENERAL SVIRIDOV:* About this I would then have to ask the Soviet Occupational forces which control all air traffic in this country, and if that permission will be granted to the MASZOVLET company then they will proceed to negotiate agreements also with other countries. I would like to ask General Weems that in view of the fact that two flights to Switzerland has taken place, as stated in the document of the General, of the MASZOVLET company, with permission of the American Occupational Forces in Austria, will denials for future flights still remain in force? If MASZOVLET will want to fly in the future to Switzerland, will they receive permission or not, based on the fact that they have already received permission for two flights?

*GENERAL WEEMS:* First, they did not receive permission to fly over our occupied zone. No Hungarian employee and no officer on my Representation is authorized to grant such permission. As indicated several times before, the United States will be glad to negotiate, as long as reciprocal arrangements will be made, and I should like to know from the Hungarian Government are they ready to undertake negotiations on an air agreement with non-discriminatory and reciprocal stipulations. I should like to ask the Acting Chairman if he will find out from the Occupational Forces if there will be any objection to the United States and the Hungarian Government undertaking negotiations along this line.

*GENERAL SVIRIDOV:* I will ask this question.

*GENERAL WEEMS:* Thank you. Possibly General Edgcumbe will have something to say in this connection.

*GENERAL EDGCUMBE:* Well, I have nothing now. General Sviridov has confirmed the question I asked, namely that an agreement has been signed between Hungary and Czechoslovakia. I have nothing further at this moment to add.

*GENERAL SVIRIDOV:* The next question was raised by General Weems on the subject of the company Tunggram, or as General Weems himself called it the German company OSRAM, on the subject of American interests in the shares of that company in the Hungarian firm Tunggram. I have received a letter from General Weems and I have turned it over to a combined commission of Soviet and Hungarian representatives to study the points brought forth by General Weems' letter. I have received the following request from this commission, that they be furnished with documents signed by the Allied Council in Germany. On my part, I have sent a cable to the Soviet element of the Control Council in Germany that I be supplied also with documents. I sent this telegram on the 13th of June. I am sure that in the course of the next few days I will have a satisfactory answer on this request. Therefore this subject on OSRAM and Tunggram and American interests has to be left open until this information is received.

*GENERAL WEEMS:* The General says this commission has requested what document?

*GENERAL SVIRIDOV:* They want official documents with signatures from the Allied Control Council in Germany to indicate the exact figures and amount of American interests in the Tunggram company.

*GENERAL WEEMS:* I think we can provide those here and from our Legation. Thank you.

*GENERAL SVIRIDOV:* The next item is one tabled by General Edgcumbe in connection with Article 13 of the Armistice, in connection with the protection of British property. On the 7th of June I sent General Edgcumbe a letter dealing with this matter. Furthermore, I spoke with the Hungarian who is responsible for the British property under the terms of the Armistice. In the letter I received from the Hungarian Government and also from the conversation I had with this particular official one thought or one desire was stated and that is to deal with these things as promptly as possible and to get such matters cleared up. If you have any further wishes in this matter, I shall pass them on to the Hungarian Government promptly.

*GENERAL EDGCUMBE:* Thank you, General. The General mentioned a letter dated the 7th of June. I received a letter No. 613 of the 13th of June, I think probably sent by General Levushkin, and that had attached to it a long letter signed by no less a person than Mr. Rákosi<sup>450</sup>. In Mr. Rákosi's letter he says if we have any further suggestions he will do his best. I am considering any suggestions to make in the procedure and if I have any I will write to the General.

*GENERAL SVIRIDOV:* The next item is the question of repairs to a building in Ferenc József tér<sup>451</sup>, No. 56, the Gresham Building.

*GENERAL EDGCUMBE:* To save time, I have received letter No. 624 of the 14th of June which seems quite satisfactory and I hope I shall not have to bother General Sviridov again. The reply was quite satisfactory. For General Weems' information, the Hungarian Government have acknowledged that they have no right to fine for buildings in a damaged (dangerous) condition caused by the war and they will provide the money for repairs.

*GENERAL SVIRIDOV:* The next question is one tabled by General Edgcumbe in connection with the repatriation of displaced persons in Palestine. I have a reply from the Hungarian Government in which they say they are prepared to accept 38 of the persons included on the list provided. The remainder of the list has not been approved so far. They are being investigated by the Hungarian Government on the grounds that they may be Schwabians for the simple reason they have German names.

*GENERAL EDGCUMBE:* Thank you, General. In due course you will let me know about accepting the others. I would be grateful if the General would tell the Hungarian investigating authorities to expedite because these displaced persons are sitting in Palestine and are an embarrassment. If they can not come in, they want to know where they are; they want to do something.

*GENERAL SVIRIDOV:* All right.

The next subject is clearances. On this subject I have to inform the following to General Weems. Mr. William Cholko has received permission to enter Hungary.

*GENERAL WEEMS:* Yes, so I understand. Thank you very much.

*GENERAL SVIRIDOV:* I have to inform General Edgcumbe that the gentlemen, Cudlip and Georgel, have received permission on the 13th of June. On the subject of the other names mentioned, I have to inform General Edgcumbe the following. The gentlemen, Pickup, Moffat and Cassin had intentions to come to Hungary to purchase food supplies. Since a British commission has been cleared and has arrived in Hungary

<sup>450</sup> Mátyás Rákosi, Deputy Prime Minister, Secretary General of the Communist Party.

<sup>451</sup> Presently it is called Roosevelt tér [Square].

for the purpose of purchasing such foodstuffs, the Occupational Forces do not find it necessary that these additional three people come here for the same purpose. Such an agreement has already been reached and is there any reason or necessity for these three gentlemen to come in on the subject that has already been solved.

*GENERAL EDGCUMBE:* I understand that these gentlemen are supposed to come dealing with different types of supplies. I will check this up and will let the General know.

*GENERAL SVIRIDOV:* I will be very grateful. Finally, about permission to enter for Mr. Partridge and Mr. Ochsner, these gentlemen want to come in order to negotiate with the Hungarian National Bank. I have twice sent my officer to the director of the National Bank to get their opinion and to find out if it is actually necessary for these gentlemen to come in. The Bank has answered that they do not know anything about the arrival of these people and they do not need them here for consultation. Based on this information the Occupational Forces have decided that there is no need for these gentlemen to enter Hungary.

*GENERAL EDGCUMBE:* I will examine that further because I understand again that these gentlemen have to talk to the Hungarian Bank with regard to reestablishing connections which existed prior to the war and Article 13 clearly says that all our connections, etc., before the war shall be reestablished. It is quite possible that the Hungarian Bank officials feel they have plenty on their hands and want to put off the visit. But I feel my Government will feel that the Bank will be glad to have them here to start consultations. They may especially like to put off the visit because there is a considerable debt from the Hungarian Government to the British Government from before the war. I will let the General know.

*GENERAL SVIRIDOV:* The next question is the request received from General Weems, or rather from Colonel Stokes, his Chief of Staff, on the subject of the arrival of General Noce<sup>452</sup> and his party. Since General Noce was coming to pay a personal visit to General Weems, the Occupational Forces have granted permission for him to come to visit General Weems. In this last letter of 16 June we are informed that besides General Noce and his aides six people are going to arrive with him.

*GENERAL WEEMS:* May I see that list? I think I might explain a bit to clarify the matter.

*GENERAL SVIRIDOV:* I took the chance and will take it upon myself and take the risk to permit the son to come in with the General. However, as far as the other people are concerned I will have to ask individually for their clearance from the Occupational Forces.

*GENERAL WEEMS:* Originally we made the request for General Noce and party and that was approved, and then we got the names of those in the party and we were just submitting them for confirmation.

*GENERAL SVIRIDOV:* The original request was for General Noce and party of two. It was assumed the two were his aides.

<sup>452</sup> Noce, Daniel (1894-1976), army officer, general. He graduated from the US Military Academy in 1917. Between 1943 and 1944 he was member of the General Staff of the European Theater of Operations and was stationed in the Mediterranean. In 1946 he became Chief of Staff of the Air Service Force. In 1947-1948 he was the Chief of the Civil Affairs Division of the Department of the Army.

*GENERAL WEEMS:* General Noce is in Germany and they have furnished him a B-17 plane and these people are going around with him. His plane is due here Monday morning and I would like to have action on the people in that party as soon as I can.

*GENERAL SVIRIDOV:* The original clearance was given for the General and two, and I have also been able to clear his son. However, the others are new people and clearance for them will have to be requested.

*GENERAL WEEMS:* I will appreciate the General' interest in having the other people cleared. They will be here for only one day.

*GENERAL SVIRIDOV:* Then I will be asked from the Occupational Forces what these gentlemen are coming here for.

*GENERAL WEEMS:* They will be my guests while they are here. I would like to know the decision in the matter as early as possible.

*GENERAL SVIRIDOV:* For the General and two we have permission, and now the son will come with him. I will attempt to get permission for the others.

*GENERAL WEEMS:* We are sending our plane to Vienna to bring them in because their plane will not be able to land at our field here.

*GENERAL SVIRIDOV:* For General Weems' information, Mr. Fox has also been cleared.

*GENERAL WEEMS:* Thank you very much.

*GENERAL SVIRIDOV:* Now regarding the letter concerning URIKANY.

*GENERAL WEEMS:* We have received a letter transmitted from General Levushkin with a letter from the Prime Minister and we have just had it translated from Hungarian into English and I will act upon it without delay.

*GENERAL SVIRIDOV:* I can briefly state what is said in this letter. The Prime Minister's office writes that the American and British interests in the company will be compensated in the following manner. This will be done by issuing long term bonds to the people who have interests in this company. The obligations will be made in dollars, paid in the United States.

*GENERAL EDGCUMBE:* Could I ask the General about certain press correspondents? Miss Tracy of the "Observer" has been refused and I asked the General in my letter of the 11th of June, No. 964, for reasons for refusing this press correspondent.

*GENERAL SVIRIDOV:* On receipt of your letter I applied a second time to the Occupational Forces and requested them to reconsider the matter and to let me know as quickly as possible. Of six correspondents, five were cleared. Probably there is some temporary holdup in getting clearance for this woman Tracy.

*GENERAL EDGCUMBE:* I am glad if the General will expedite it. It would be a great pity at this state of affairs, when there has been a changeover of the government, if a correspondent is prevented from coming in.

*GENERAL SVIRIDOV:* During May ten British correspondents were given permission to enter. I will try to get a reason.

*GENERAL EDGCUMBE:* I would like to get a reason for three (list of names handed to General Sviridov by General Edgcumbe) who have not been cleared. I will be glad if the General will get a decision.

*GENERAL SVIRIDOV:* I will endeavor to get a decision as quickly as possible and I am very thankful that the list is a small one.

*GENERAL EDGCUMBE:* Thank you, General. I would like to say that we have had 78 refusals since January for trade representatives and I do admit to the General that 78 is too large a number.

*GENERAL SVIRIDOV:* I must inform you of the following. Permission has been given for trade representatives as follows: in January, 15; February, 28; March, 26; April, 24; May, 22; making a total of 115. In the month of May alone the British Representation received 109 clearances, which is the highest number so far in any one month. Therefore, you will not be angry with me, I do my best.

*GENERAL EDGCUMBE:* I want to mention two other matters. One is the old matter of the report for the UNESCO subcommittee.

*GENERAL SVIRIDOV:* I am ashamed and it forces me to blush on behalf on the Hungarian Government, but what can be done about it? I will make another attempt to get them to move quickly.

*GENERAL EDGCUMBE:* I would suggest, General, that you tell them that it is in their interest, in the interest of Hungary that facts of what Hungary suffered should be known to the United Nations.

Lastly, I take the liberty of asking one more question and that is I have had some correspondence with the General about the Hungarian Government who raised some charges on certain share certificates lasting after the war. The Hungarian Government said they were putting the matter to the Supreme Economic Council in order to have the decree which had been issued making the British shares liable amended. My letter No. 403 of the 14th of June asked the General to draw to the attention of the Hungarian Government that I was definitely dissatisfied. It is six months and they are only just considering it, so I would ask the General to press and ask them to please get action to settle this matter.

*GENERAL SVIRIDOV:* I will take this matter up with the Prime Minister.

*GENERAL EDGCUMBE:* Thank you very much.

*GENERAL WEEMS:* May I continue on the subject of clearances? Heretofore when we have asked for Army officers and other government officials for duty with the Mission or with the Legation there has been no difficulty in getting clearance. Recently we have had a case of denial of two officers who were coming, desired here for the Mission, and I think possibly that it was an administrative error.

*GENERAL SVIRIDOV:* Are they coming in for permanent duty?

*GENERAL WEEMS:* No, temporary duty with the Mission. My letter of June 10th was signed by Colonel Stokes.

*GENERAL SVIRIDOV:* They are coming here to work temporarily with the Mission?

*GENERAL WEEMS:* To examine some of our people in regard to a trial that is going on in Vienna. It will take them a few days to get the evidence that they want and then they will go back to Vienna.

*GENERAL SVIRIDOV:* I will attempt to clear up this matter.

*GENERAL WEEMS:* There are two other cases that are similar. My letter of June 5th refers. We asked for clearance for a Mr. Kövarty and a Mr. Klein, one is a Justice Department representative and the other from the War Department, coming here to get evidence on war criminals. They were denied on June 11th but I think there that there might have been a mistake. Permit me one more question. I should

like to have a reply to my letter of the 16th of May on the subject of the Rockefeller Foundation representatives.

*GENERAL SVIRIDOV:* One permission for Mr. Gerard Roland Pomerat (Rockefeller Foundation) has just been given.

*GENERAL WEEMS:* The reason I am asking for a reply to this letter of May 16th is the fact that I must make a reply, through our Legation, to the Foreign Minister's office who gave us a Note Verbale asking us for our assistance in getting these people in.

*GENERAL SVIRIDOV:* I have talked on this subject with the Minister of Education<sup>453</sup> and it was decided to let Mr. Pomerat in and to discuss with the Minister of Education on this subject and they will decide which representatives and how many of the Rockefeller Foundation will be needed in the future to take care of their business.

*GENERAL WEEMS:* If the General would give me that in a short note, I would appreciate it so that I can give the exact facts to our Legation and they can pass it on to the Foreign Ministry.

*GENERAL SVIRIDOV:* Mr. Pomerat has been given permission and I will give a written answer to General Weems' letter.

*GENERAL WEEMS:* General Edgcumbe has heretofore done most of the complaining about denials for press and business men to come in but he seems, notwithstanding, to do no better than I. We have been attempting for many weeks to get clearance for one Mr. Moore, European Manager of the United States Lines. We note that the British Cunard Lines have big offices here in Budapest and we want Mr. Moore in Budapest to make a little competition for the British company.

*GENERAL SVIRIDOV:* (Jokingly) General Edgcumbe has asked me not to let this man in.

*GENERAL WEEMS:* There is one more case, if you will permit me again. On June 6th August Marffy. I will attempt to get more information on this individual and give it to the General. I am asking for detailed reasons for his coming in here but at the present time I have an opinion that he is a rather important person and will be important for Hungary.

*GENERAL SVIRIDOV:* I will attempt to clear up these cases and also to get a new decision in these cases.

*GENERAL WEEMS:* Thank you very much.

*GENERAL SVIRIDOV:* Permit me to finish this meeting at this point.

After the close of the business session General Sviridov informed that his Chief of Staff, General Levushkin, was leaving Budapest for a long time. Upon questioning he indicated it might be for a two-month period. No indication as to General Levushkin's destination was given. General Sviridov stated that General Kondratov, who has headed the Military Section, will act as Chief of Staff. The meeting adjourned at 17.45 hours.

711.9. Allied Control Commission, Record Group 84, Budapest Legation File, NA, Washington D.C.

<sup>453</sup> Ortutay Gyula (1910-1978), ethnographer, politician, President of the Hungarian Radio 1945-1946, Member of Parliament 1945-1953, Minister of Religion and Public Education from March 1947 to February 1950.

## 48.

*Conference of 16 July 1947*

Minutes of a formal meeting of the ACC where matters concerning Article 13 of the Armistice, Hungarian displaced persons, formation of a new Hungarian political party, reports by the Minister of Defense, etc., were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

### NOTES

A meeting of the Allied Control Commission for Hungary was held at 14.15 hours on 16 July 1947 in the conference room of the Soviet Headquarters in Bajza utca, near Andrassy út, Budapest, Hungary.

The meeting was called to order by the Acting Chairman, Lieutenant General V. P. Sviridov, who presided in the absence of Marshal Voroshilov.

Present were: *The United States Representation:* Brigadier General George

H. Weems, Colonel John H. Stokes, Jr., 1st Lieutenant Ronald A. Gaiduk

*The British Representation:* Major General O. P. Edgcumbe, CBE, MC, Lieutenant Colonel H. P. Whiteford, Captain C. F. Figures.

*The Soviet Representation:* Lieutenant General V. P. Sviridov, Major General A. N. Kondratov, Lieutenant Colonel Grazhdanov.

The discussion was substantially as follows, subject to any discrepancies in the translation from Russian.

Note: No agenda was prepared by the Acting Chairman, but the following proposed agendas were submitted by the British Representation and the United States Representation:

#### *British Representation*

##### 1. *Article 13 of the Armistice Terms and British Interests and Property.*

A review has recently been made with regard to the fulfillment of Article 13 by the Hungarian Government. Complete claims in their final form have not yet been submitted to the Hungarian Government but many questions have been raised with the Government regarding various British interests and property. The methods of the Hungarian Government in dealing with this question have been very dilatory and unsatisfactory and although on 24 May 1947, an assurance was received signed by Deputy Prime Minister Rakosi, to the effect that the Hungarian Govt. fully appreciated their responsibilities with regard to Article 13. His Majesty's Government has instructed me to make a vigorous protest to the Hungarian Government to the effect that their whole attitude in connection with Article 13 and British interests is considered unsatisfactory.



A letter on this subject will be handed to the Deputy Chairman, ACC, at the next meeting, with a request that he will pass it to the Hungarian Government.

2. *Repairs to buildings which are in a dangerous state and which are British property.*

This particular question in connection with Article 13 was referred to at the last ACC meeting on the 18th June 1947<sup>454</sup>. Further action by and information from the Hungarian Government are required by H. M. G. and letter BMH/401/Econ-Fin of the 4th July 1947 refers.

3. *Replacement of Securities of British subjects and Companies.*

This matter was referred to at the meeting on 18th June 1947 and in my letter BMH/403/Econ-Fin of the 14th June 1947, when I expressed dissatisfaction with the Hungarian Government who had not yet taken action to amend their decree No. 4090/1945, with a view to exempting British owners from charges for the replacement of security. It is desired to know whether the Hungarian Government have now taken action to rectify this matter.

4. *Hungarian DP's for repatriation from Palestine.*

At the ACC meeting on the 18th June this question was referred to and the Deputy Chairman was asked to urge the Hungarian authorities to reply regarding the balance of the 105 DP's as only 38 had been accepted to far for repatriation. It is requested that information on this subject may be given. (Letter BMH/7/Mil dated 20th June 1947 refers).

5. *Formation of a new Political Party.*

It is noted from Hungarian Press reports that Father István Balogh, the former State Secretary, is said to have applied for permission to form a new Political Party. It is desired to obtain any information available regarding this.

6. *Report required on the death of 6 British women killed by the Nyilas in 1945.*

This matter was referred to at the ACC meeting on the 20th May<sup>455</sup> and it is desired to press for further information from the Hungarian Government. (Letter No. BMH/929/Seet 29th June 1947).

7. *Hungarian Prisoners-of-War and Displaced Persons repatriated from British Zones.*

A check was recently made on the numbers so far repatriated and the approximate figures for the information of the ACC are as follows:

Officers, POW.	2,000
Other Ranks, POW.	22,000
Civilians, DP	13,000
Total, POW. & DP	37,000

#### *United States Representation*

1. *New Political Parties.*

Local press reports that former Vice Premier István Balogh<sup>456</sup> has requested approval of the Allied Control Commission for the formation of a new political party

<sup>454</sup> See document 47.

<sup>455</sup> See document 46.

<sup>456</sup> He was under-secretary of state at the Prime Minister's Office.

to be known as the "Independent Hungarian Democratic Party." Full particulars in regard to this matter are desired.

2. *MASZOVLET flights.*

The Acting Chairman, by his letter of 13 June 1947, No. 610, forwarded to the Prime Minister my letter of 5 June 1947 on this subject. No reply has been received from the Prime Minister to letter of 5 June 1947.

3. *Reports by Minister of Home Defense*<sup>457</sup>.

It is understood that the Ministry of Home Defense submits periodic reports to the Military Section of the Soviet Mission of the Allied Control Commission. My Government would be interested in receiving copies of any such reports as submitted by the Ministry of Home Defense.

4. *Inspection of Hungarian Military Units.*

It is desired to discuss this subject in the light of the remarks made at the last meeting of the Allied Control Commission and my letter of 21 June 1947 on this subject.

5. *Diplomatic Relations with Brazil.*

In letter of 25 April 1947 it was stated that the Brazil Government was disposed to accede to the desires of the Hungarian Government to a renewal of diplomatic relations with Brazil. It is desired to know what action the Acting Chairman has taken in this connection and what action has been taken or may be expected from the Hungarian Government.

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**GENERAL SVIRIDOV:** The first question was raised by Generals Edgcumbe and Weems in regard to the formation of a new party by Father Balogh István, the former State Secretary in the Prime Ministry. In regard to this, I must inform the Generals as follows. Actually Mr. Balogh István has applied to me for permission to form a new party which will be named the Independent Democratic Party<sup>458</sup>. This was about three days ago, I believe Friday of last week. In regard to this, I inquired of Mr. Balogh István the program of the party as well as the opinions of the party in regard to the coalition government and the government in general. I received the answer that the parties of the coalition supported Mr. Balogh's petition to begin a new party and were entirely in accord with his request. On the basis that Mr. Balogh István is a Deputy of Parliament, and on the basis that all Deputies of Parliament have a right to found a new party, Mr. Balogh petitioned to avail himself of that right. I have the program of the party and the plans of the party which are actually very short. I should like to request the opinions of General Edgcumbe and Weems in regard to this matter.

**GENERAL EDGCUMBE:** Is the General going to tell us the program of the party?

**GENERAL SVIRIDOV:** No. I said that the program has been received but unfortunately I have not brought it with me. I have only shortly perused the program of the party. All I can say now is that it seems to be a very democratic party and is very much like the Smallholders Party. This program is now being translated from Hungarian into Russian.

<sup>457</sup> Lajos Dinnyés, Prime Minister and Minister of Defense.

<sup>458</sup> Correctly: Independent Hungarian Democratic Party.

*GENERAL WEEMS:* I should like to have a Hungarian copy of the program, if I may.

*GENERAL SVIRIDOV:* All right.

*GENERAL EDGCUMBE:* I think we discussed previously the formation of political parties when we were talking about the Freedom Party, and I then made the point that as far as my Government is concerned they consider that political parties are questions of the internal affairs of the Hungarian Government provided that the program of such parties do not show that they are likely to contravene Article 15, which deals with reactionary tendencies, so I submit it for the ACC to make sure that the program is not likely to in any way upset Article 15. Beyond that, I submit that it is not a question. We have nothing to do with how many parties there are.

*GENERAL WEEMS:* I understood General Sviridov to say that as a Member of Parliament he is permitted to organize a new political party. I would like elaboration on that point. I may have misunderstood him.

*GENERAL SVIRIDOV:* According to the Hungarian Constitution<sup>459</sup>, Dr. Balogh and Prime Minister Dinnyés have informed me that every Deputy of Parliament has the right to found a new party, but they must go for authorization to the Allied Control Commission because of Paragraph 15 [of the Armistice] with which the formation of this party must not conflict.

*GENERAL WEEMS:* Thank you.

*GENERAL SVIRIDOV:* Does General Weems have any opinions contrary to the formation of this new party, or does he generally adhere to the same views expounded by General Edgcumbe?

*GENERAL WEEMS:* Yes, I adhere to that, and I would like to see the program as submitted to the General.

*GENERAL EDGCUMBE:* I should think that if General Sviridov would give a copy of the program to both myself and General Weems, then we could both study it and write to General Sviridov and say whether or not we have any objection, having regard to Article 15.

*GENERAL SVIRIDOV:* As Chairman of the Allied Control Commission, I have perused the program of this new party and have found it democratic and have found it not in conflict with any of the articles set forth under Paragraph 15. I shall send a copy of this program of the new party to Generals Edgcumbe and Weems as soon as possible. Outside of this, I am personally of the opinion that Dr. Balogh should, as soon as feasible, be permitted to found this party and set it in operation, and I am supported in my view by Prime Minister Dinnyés and also by the acceptance of the other coalition parties. Dr. Balogh has insisted that I, as quickly as possible, give him a definite answer as to whether the Allied Control Commission is going to oppose the formation of this party or not. Under these conditions I have told Dr. Balogh that as far as the principles of the formation of the party were concerned I have no objections. In principle, I had no personal objection to the formation of the new party insofar as both the coalition parties and the Prime Minister have been supporting the request of Dr. Balogh.

*GENERAL EDGCUMBE:* As far as I am concerned, if I can have a copy of the program tomorrow morning I think I shall probably be able to answer very quickly.

<sup>459</sup> No written Constitution of Hungary existed then.

*GENERAL SVIRIDOV:* Well, as a matter of fact we can get this program right now and peruse it if we shall have time enough for it.

*GENERAL EDGCUMBE:* That is best if it is short and we have time enough to do it.

*GENERAL WEEMS:* Good.

*GENERAL SVIRIDOV:* Allow me to offer you some fruit in the meantime and I will bring the program.

*GENERAL EDGCUMBE:* In the meantime, in the papers again I have noted that they have a misstatement because they have said that we have already agreed to this party. I have found this and was going to ask about this. Evidently a misunderstanding. It was in the Kossuth Népe on July 14th.

*GENERAL SVIRIDOV:* Absolutely not. It is not true.

*GENERAL EDGCUMBE:* I am sure it is the usual thing. They have applied for permission and the paper instead has said that they have received permission. (General Sviridov left the conference room to obtain the program).

*GENERAL SVIRIDOV:* I will have to excuse myself, gentlemen. I have the program in my brief case at home. I am terribly sorry but there is nothing I can do about it. I will have to be perfectly honest about it. One copy we have in Hungarian and one in Russian. I shall follow up the article in the Hungarian paper on the alleged permission given for the formation of this party because I know that I have given no papers any such statements. I will repeat that I have told Dr. Balogh that if there were no objections from the government and no objections from the political parties that I myself had no objections to the formation of the party. I agree with General Edgcumbe's view that the formations of new parties are basically a matter for the internal decision of Hungary itself and that as long as there are no given articles in the program of the party which are against anything stated in Paragraph 15, there could be no further objections to it then.

*GENERAL EDGCUMBE:* Thank you, General. Can we have a copy of this program either in Hungarian or Russian tomorrow, and I promise to give my reactions very quickly.

*GENERAL SVIRIDOV:* All right.

*GENERAL WEEMS:* I agree with General Edgcumbe.

*GENERAL SVIRIDOV:* The next point was raised by General Weems in regard to the company MASZOVLET. The General has asked for a statement of the person who is alleged to have received permission to fly to Switzerland, the representative of the MASZOVLET company referred to as alleged to have received this permission. We sent such a letter signed by three people, the three members of the MASZOVLET company, to General Weems on the 28th of June. It is signed by Secretary of Air, Dr. Mester Miklós; Chief Advisor on Matters for Air, Koós Imre; and Director of Commerce, Kanka Henrik. I assume that General Weems has received this letter.

*GENERAL WEEMS:* I have.

*GENERAL SVIRIDOV:* In regard to this, there is also a letter from General Weems stating that the Hungarian Government has concluded agreements with Belgrade providing for flights between Hungary and Yugoslavia by MASZOVLET. This letter is from General Weems dated July 12th. I must inform the General that such an agreement has actually been signed between the two governments on a reciprocal

principle – Belgrade-Budapest and Budapest-Belgrade. Both sides, Hungary and Yugoslavia will be flying back and forth in this channel. Up to now agreements exist only between the two stated governments. As for technical arrangements between the two companies MASZOVLET and YOUSSTA, the Yugoslav company, no arrangements have as yet been made or signed. But besides this, I have one complaint by MASZOVLET to refer to the General and namely that the American Forces in Austria have not authorized an overflight by MASZOVLET in the case of one single flight from Budapest to Zurich in Switzerland. Such permission has not as yet been forthcoming from the American Military Forces and I have been enjoined by MASZOVLET to appeal to General Weems to arrange for permission of one single flight from Budapest to Zurich and back. Does General Weems promise his aid in this matter or does he not?

*GENERAL WEEMS:* I would like to go back to what General Sviridov mentioned in the beginning on this subject. He stated that Mr. Imre Koós, Mr. Kanka Henrik and Mr. Miklós Mester arranged for clearance of flights over our occupied territories in Austria. I think it would be of information to the members of the ACC that that statement of Mr. Mester is entirely incorrect, and further state that they were told by a Hungarian employee who works in our Hungarian Liaison Section that they did not need a military travel permit if they were not going to land in Austria, but nothing was said of clearance for the plane. I further wish to inform the members of the ACC, and I am asking the Acting Chairman to inform MASZOVLET that their requests for flights over our territories must be referred to Washington for decision. Further, I would like the Acting Chairman to pass this information to the Hungarian Government regarding MASZOVLET flights. Referring to the last meeting on June 18th, I stated in substance that I indicated several times before the United States would be glad to negotiate as long as reciprocal arrangements would be made, and stated that I should like to know from the Hungarian Government whether it is ready to undertake negotiations on air agreement with non-discriminatory and reciprocal provisions. I further asked the Acting Chairman if he would find out from the Occupational Forces if there would be any objection to the United States and the Hungarian Government undertaking negotiations along this line and the Acting Chairman said that he would attempt to get this information.

*GENERAL SVIRIDOV:* I would like to tell General Weems that if American Military Forces will not grant permission for overflight to one single MASZOVLET flight, that should be taken as not only refusing permission to a Hungarian aviation firm but refusing permission to a Soviet-Hungarian aviation firm.

*GENERAL WEEMS:* We will be glad to grant permission for overflights on a reciprocal basis. In fact we have attempted to get that constantly for many months.

*GENERAL SVIRIDOV:* But the General is aware of the fact that American aircraft have been flying across territories occupied by Soviet Forces for more than two years and have been flying across these lanes regularly, have been flying to Belgrade, Bucharest, Sofia.

*GENERAL WEEMS:* That has been military aircraft and not civilian aircraft.

*GENERAL SVIRIDOV:* The war is over. These are airplanes of peace, carrying peaceful passengers.

*GENERAL WEEMS:* If MASZOVLET, and if the Hungarian Government, and if the Soviet Government, the Occupational forces, will permit, I can assure the Acting

Chairman that the United States will be glad to undertake negotiations in the immediate future with reciprocal and non-discriminatory provisions in the agreement.

*GENERAL SVIRIDOV:* I should like to impress on the General once again that we must differentiate between air agreements and single isolated flights. Single isolated flights have been permitted from time to time in other countries without the existence of regular air agreements, and in the given instance, the matter before us, it is one concerning an isolated single flight. If American Forces are availing themselves of the privilege of flying single isolated flights across Soviet occupied territories, then why should a Soviet-Hungarian airplane not be permitted one single flight to Switzerland and back? It would seem to me exceedingly discriminatory not to extend like privileges to our planes.

*GENERAL WEEMS:* I would like to invite attention to the fact that they have made two flights illegally and knowing right well when they did it that it was not authorized. My Government has tried for many months to make an agreement whereby there would be reciprocation and flights would be made easily. To this date we have not been able to do that. I should like also to refer to General Sviridov's letter of May 24th in which he says that the MASZOVLET company may conduct negotiations and conclude agreements with other countries on air communications only with permission of the Commander of the Soviet Occupational Forces, through the Chairman of the ACC. In the last meeting the Acting Chairman agreed that he would attempt to get information from the Occupational Forces whether it would be satisfactory and agreeable to all concerned to the United States Government and the Hungarian Government to undertake negotiations. Further, I wish to emphasize that the MASZOVLET is purely a commercial company.

*GENERAL SVIRIDOV:* Of course in our speaking here of air agreements of the MASZOVLET company, and commercial and military flights, there are many matters that have not as yet been settled that are quite controversial. It is, of course, true, as I have informed the Commission before and as I am informing the Commission again, that for any sort of air agreement the authorization of the Occupational Forces is required. On the other hand, the General must also be aware of the fact that the Hungarian Government, in the position it finds itself right now being not as yet a consolidated and independent country but one that is being occupied by other powers, is not as yet in any position to conclude any international air agreements with other countries. The Hungarian Government made written statements to that effect. Finally, I should like to repeat that regular air communications, should not be confused with single isolated flights undertaken by single planes, and because the Hungarian Government is not yet in a position to conclude any air agreements it would not pay to punish the Hungarian Government for its inability to conclude any such agreements by not allowing it isolated flights. I should also like to repeat that refusals to permit the overflight of MASZOVLET is not just a refusal against the Hungarians but inasmuch as MASZOVLET is a Hungarian-Soviet company it is also a refusal made against the Soviet Government.

*GENERAL WEEMS:* I should like to make mention that it came to my attention after MASZOVLET made two flights to Switzerland that they had set up a bi-weekly schedule and had it printed and advertised in Switzerland and had not made any

attempt to get clearance for the flights or to make an agreement with our people for reciprocal arrangements.

*GENERAL SVIRIDOV:* I am of the opinion that as far as refers to the matter of the flights, General Weems and I have each stated our points of view. Could we continue to the next point?

*GENERAL WEEMS:* I would like to ask one question. The Acting Chairman mentioned just a moment ago that Hungary is not in position to make air agreements, yet Hungary has, with permission of the Occupational Forces, made air agreements with Czechoslovakia, Yugoslavia and Romania, and I have heard with Sweden and other countries.

*GENERAL SVIRIDOV:* That is true but not with Sweden. I have informed the General that the Occupational Powers have granted authority in their own sphere of jurisdiction for the Hungarian Government to conclude agreements with its neighboring countries, and for that reason there are agreements between Yugoslavia, Romania and Czechoslovakia - with the neighboring countries only in the occupational zone of the Soviet Army.

*GENERAL WEEMS:* I wish to make further explanations in regard to MASZOVLET us request for a single flight. The request was made not upon the United States Representation on the Allied Control Commission but through our Legation. Our Legation had to refer that to Washington and I do not know the answer. If they have a request for a single special flight and will put it to me, I will contact the officials in Austria and ascertain what their decision is. I should like, in connection with that, to have full information as to the purpose of the flight, passengers carried, cargo carried - full information about it - and whether or not they wish to land in Austria.

*GENERAL SVIRIDOV:* Thank you very much. General Weems will receive such information that he requires.

*GENERAL WEEMS:* The reason for raising the point at this meeting was the fact that I have not received an answer from the Hungarian Government to my letter of June 5th, a letter to General Sviridov calling for certain information from the Hungarian Government regarding MASZOVLET.

*GENERAL SVIRIDOV:* General Weems' letter was sent to the Prime Minister on June 13th, under our No. 680, and I will ask the Prime Minister why he has not answered the letter.

*GENERAL WEEMS:* That was the purpose of raising this point.

*GENERAL EDGCUMBE:* I have sat very silent for a long time and at the risk of prolonging this discussion I do want to say one thing. On the 20th of May when we were talking about air agreements I said to General Sviridov that I thought first that air agreements ought to be discussed by the ACC before they were definitely concluded by Hungary. Now this agreement between Yugoslavia and Hungary has just been signed and we certainly haven't discussed it in any way at all. So I want to get absolutely clear as to what the Chairman considers is the procedure. What I understand from the Chairman is that the ACC has nothing to do with these agreements and it is entirely up to the Occupational Forces. That is the Chairman's view, if I am right.

*GENERAL SVIRIDOV:* I repeat what I said previously and I say again now that the permission for flights, both isolated flights and regular flights, is given by the Commander of the Occupational Forces. Therefore if the Hungarian Government

wishes to conclude an agreement with any other country, for example Bulgaria, for permission to do so, they apply to the Commander of the Occupational Forces through the Deputy Chairman of the ACC. That is the arrangement which existed and that is how the position stands today. The Commander of the Occupational Forces gave the Hungarian Government permission to conclude these air agreements with the neighboring countries.

*GENERAL EDGCUMBE:* Thank you. I take it that it came through the Deputy Chairman and he acted merely as a post office, the liaison.

*GENERAL SVIRIDOV:* Absolutely right.

*GENERAL EDGCUMBE:* Thank you. This clears that up from my point of view.

*GENERAL SVIRIDOV:* The next question is one that was raised by General Weems, the question of reports of the Minister of Defense. I asked that when the next report was sent it should come in three copies so I can give one to General Weems and one to General Edgcumbe, and I now give each General a copy. We made inquiries on the basis of the information that they sent us and at the last meeting gave a report to General Edgcumbe and General Weems.

*GENERAL WEEMS:* After the translation of the report that you gave us at the last meeting, I found that it was particularly interesting and furnished great detail and a good overall picture of the Hungarian Army and Police. After studying their report somewhat more in detail, I may write a letter asking for a description of some of the functions of the groups given in the Army High Command. This report was very useful.

*GENERAL EDGCUMBE:* May I now say that I also found that report very interesting and I would like to ask some more information and so I have written a letter which I would like to hand the General, asking for some detailed information regarding the organization of the infantry divisions (General Edgcumbe handed letter to General Sviridov and a copy to General Weems).

*GENERAL SVIRIDOV:* I will make efforts to get this additional information for General Edgcumbe and Weems.

*GENERAL EDGCUMBE AND WEEMS:* Thank you.

*GENERAL SVIRIDOV:* The next question is one by General Weems on the subject of visits or study of the Hungarian Army by officers, representatives of the American Government. At the last meeting I gave him in quite full detail the point of view of the Commander of the Occupational Forces and so General Weems is quite well aware of that point of view, and the Commander of the Occupational Forces, as before, is sticking to his point of view. From my side, I can not add anything further to this point of view.

*GENERAL EDGCUMBE:* I expressed my opinion last time on the visits to military units and I then said, and I repeat, that in my view the Commander of the Occupational Forces is not right in refusing to permit these visits because according to the terms of the Armistice the Hungarian Forces are under the supervision of the ACC. I have nothing to add to that.

*GENERAL WEEMS:* I should like to make the observation that my interpretation of the Armistice Agreement is that it is an agreement between our respective governments. I wish to make the observation that the Statutes of the ACC were drawn up to standardize the procedures to be followed in the Allied Control Commission. The

Statutes do not and should not in any way contravene the provisions of the Armistice Agreement. It appears to me, therefore, that the decision of the Soviet Occupational Forces is in clear contravention of the provisions of the Armistice Agreement.

*GENERAL SVIRIDOV:* I expressed my views on this subject in detail at the last meeting and now I can say that the Commander of the Occupational Forces considers still sticking to his point and opinion of last time, that neither the Armistice Agreement nor the Statutes of the ACC give the right for officers of the American Army to visit Hungarian Army units. But I suggest that the above subject is over our heads and is one for our governments, and I suggest that the matter be submitted to our governments.

*GENERAL WEEMS:* I agree.

*GENERAL SVIRIDOV:* The next question is one raised by General Weems on the subject of diplomatic relations between Hungary and Brazil. General Weems asks what steps have been taken first of all by General Sviridov and comments by the government for the establishment of these relations. I have to tell General Weems that on this subject I have not received the decision of the Hungarian Government.

*GENERAL WEEMS:* Has General Sviridov received a request from the Hungarian Government for resumption of diplomatic relations?

*GENERAL SVIRIDOV:* No, I have not received any written request from the Hungarian Government. When such a request will be put to me in writing by the Hungarian Government, then I will express my opinion.

*GENERAL WEEMS:* I would like to make the observation that my letter to General Sviridov was written on the 25th of April and the assumption is that he passed the information to the Hungarian Government. Furthermore, I would like to observe that at about the same time the American Legation sent a similar Note Verbale to the Foreign Office. It seems to me that it is time for Hungary to give an answer one way or the other. May I ask of the Acting Chairman that he call upon the Hungarian Government to give their views in this matter and for him to give me an answer to my letter of April 25th?

*GENERAL SVIRIDOV:* All right.

*GENERAL WEEMS:* Thank you.

*GENERAL SVIRIDOV:* The next question was raised by General Edgcumbe in connection with Article 13 of the Armistice Agreement, which deals with the protection of British interests by the Hungarian Government.

*GENERAL EDGCUMBE:* In order to save time, might I possibly explain the situation very briefly?

*GENERAL SVIRIDOV:* Please.

*GENERAL EDGCUMBE:* Quite briefly, on many occasions I have had to refer to Article 13 and the unsatisfactory methods of the Hungarian Government in dealing with properties. Recently I made a complete review of the situation, of all the queries and things we have raised, and I found the condition was very unsatisfactory. I had a letter quite recently, on the 10th of July, No. 714, from General Sviridov, sending me a long letter from the Hungarian Government in which they refer to numerous cases, but instead of giving us real information on these cases, urging other people to do something. Accordingly, I reported to my Government exactly what the situation was and they instructed me to express what their position is and to draw up a memo-

randum which I will hand to General Sviridov with a request that he will pass this memorandum on to the Hungarian Government. The memorandum goes in some detail in the outstanding various cases. I will then hand the memorandum with a letter, which the General can study at his leisure afterwards, and I will give a copy to General Weems. Unless there are no questions on this subject, I do not want to say any more about it.

*GENERAL SVIRIDOV:* Thank you. General Edgcumbe's letter will be forwarded to the Hungarian Government.

*GENERAL EDGCUMBE:* Thank you very much.

*GENERAL SVIRIDOV:* Perhaps General Weems has something to say.

*GENERAL WEEMS:* No, I have nothing to say. I wish to study it.

*GENERAL SVIRIDOV:* The next question is one raised by General Edgcumbe on the subject of sums of money which are allowed to be given out to the Hungarian banks for the repair of damaged property. General Edgcumbe's letter No. 401 of the 4th of July has been forwarded to the Hungarian Government. Unfortunately up to this time we have not yet received an answer to that letter from the Hungarian Government and so we do not know their decision on this matter. The question is whether the British owners should be able to receive a sum from the Hungarian banks without repayment, and we do not know the decision.

*GENERAL EDGCUMBE:* I might say that matter is included in the previous memorandum. Thank you very much.

*GENERAL SVIRIDOV:* The next question is one of shares belonging either to British people or British companies, and the question is whether these shares should be free from taxes. On this question, General Edgcumbe has been sent a letter from the Minister of Finance, of the 14th of July. The decision of the Supreme Economic Council, as I myself understood the contents of this letter, is that the shares of British property owners will be free of taxes or charges.

*GENERAL EDGCUMBE:* Thank you very much. I haven't seen it yet but I shall.

*GENERAL SVIRIDOV:* The next question is one by General Edgcumbe, the question of repatriation from Palestine of 105 people. The Hungarian Government have informed me to the effect that they are willing to receive all 105 of these displaced people on the condition that they are Hungarian citizens. That is the only condition, which they impose, providing they are Hungarian citizens they will be received.

*GENERAL EDGCUMBE:* Thank you. I will take action on that. I have been informed that according to the check made in Palestine they all appear to be Hungarian from all the investigations.

*GENERAL SVIRIDOV:* Are they to be collected somewhere in the English Zone?

*GENERAL EDGCUMBE:* I understand they will all come in one party. I think they will come in one party to be handed over to the Hungarian authorities.

*GENERAL SVIRIDOV:* The next question is on the subject of British women who were killed by the Nyilas in 1945. General Edgcumbe here is writing of six British women. Is that not a mistake because the Hungarian Government know the cases of only three?

*GENERAL EDGCUMBE:* As far as I can remember, without having all of my papers in front of me, it was six, but I will check when I get back to my office and will let General Sviridov know. I may have made a mistake.

*GENERAL SVIRIDOV*: I talked with the Minister of Justice<sup>460</sup> on this matter and the Minister of Justice has promised in the near future to give out the sentence pronounced on these people condemned by the court. As soon as I receive details of these sentences, I will immediately send them to General Edgcumbe. On the other hand, I received the following information from the Minister of the Interior, that in the case of these people who have not yet been arrested but were concerned in the murder of these women, they have not yet been sought out and it is possible that they are not anywhere to be found in Hungary.

*GENERAL EDGCUMBE*: Thank you. I have just checked another paper I have here and there were three. I apologize. The mistake was mine.

*GENERAL SVIRIDOV*: What wishes has General Edgcumbe on this subject for the Hungarian Government, for the Minister of the Interior<sup>461</sup>, and for the Minister of Justice?

*GENERAL EDGCUMBE*: If I can get the details of the sentences, and as I have the assurance that those persons who have not been arrested are being sought, this will suffice.

*GENERAL SVIRIDOV*: I will take steps to get information about the sentences quickly and will also demand from the Minister of the Interior details of the measures he is taking for the continuing search of these people.

*GENERAL EDGCUMBE*: Thank you.

*GENERAL SVIRIDOV*: The last question on the agenda is General Edgcumbe's information on the return of Hungarian prisoners of war and displaced people who have already been returned from the British Zone.

*GENERAL EDGCUMBE*: I included that really, General, because we made a check to see what the figures were and I thought it would interest General Sviridov and General Weems to know what they are.

*GENERAL SVIRIDOV*: I thank you very much.

*GENERAL WEEMS*: Possibly the other members would be interested in knowing the overall figures from the United States Zones in Germany and Austria. It is approximately 270,000, all classes, and I estimate from reports that I have received some weeks back that there are approximately 30,000 additional to be repatriated. But from actions of the Hungarian Government I do not know yet whether they want that 30,000 repatriated or not. I cannot get an answer to my inquiries. I wish it understood that these figures are rather a rough estimate. I have not been able to check them over carefully.

*GENERAL SVIRIDOV*: Thank you, General Weems.

All the questions raised by General Weems and General Edgcumbe have been covered.

*GENERAL EDGCUMBE*: May I ask the usual another question? I would like to speak about our old friend, clearances, and I would ask the General whether he can give me a reply about our press correspondents. I wrote to the General on the 10th of July pointing out that one press correspondent has been refused and we are still waiting for clearance for 13 or 14 additional. It is very embarrassing to me because

<sup>460</sup> István Ries

<sup>461</sup> László Rajk

you know what press correspondents are, and I am constantly being reminded why they do not get clearances. I would be very grateful if the General would help me by expediting the clearances for these particular people.

*GENERAL SVIRIDOV*: In the months of June and July the Commander of the Occupational Forces gave permission for 12 English correspondents to come to Hungary - 12 correspondents of 11 different agencies. It seems in a small country like Hungary that it gives us one correspondent for every small town. That seems to me to be quite a lot.

*GENERAL EDGCUMBE*: Well, my point, General, is that previous to June, the beginning of June, it was agreed that press correspondents could come and there was no limitation placed on them and everything was going quite easily and I cannot see why the Occupational Forces should object. It cannot effect their security; they are perfectly well known British correspondents and so I would request of the General to take the matter up on the point of view of previous procedures whereby press correspondents were allowed to come in without any hindrance at all.

*GENERAL SVIRIDOV*: Before the month of June it was a question with correspondents that two, three or five people wanted to come and suddenly 40 people wanted to come. Why do you want 40 correspondents in Hungary?

*GENERAL EDGCUMBE*: Maybe because Prime Ministers come and Prime Ministers go with such speed. It makes a good story.

*GENERAL WEEMS*: I have 11 requests for press correspondents pending but I think that they will be cleared in the course of time. Also it is to be observed in regard to General Sviridov's remark that many of these individuals are passing through, going from here to Belgrade, to Bucharest, or some other place. They spend a day or two here and out they go.

*GENERAL EDGCUMBE*: Will General Sviridov endeavor to get clearances for these outstanding cases? I would be most grateful if he will. It will cause me a great deal of trouble if these correspondents do not get their clearance.

*GENERAL SVIRIDOV*: Of course I will take measures, but I must bring to General Edgcumbe's notice the following, that I found out in the last two days that a certain correspondent from Hungary, seemingly a correspondent of the Associated Press, has given information which has since been published in the American press that the Russian Command here asked from the Hungarian Government 120 echelons of rolling stock of moving their troops to the West.

*GENERAL WEEMS*: One of my staff reported last Monday morning that something to that effect was heard on the radio, and today I have heard that a Hungarian paper carries a strong denial of it. But for myself and my staff, we did not consider it news because it would be quite normal for an occupational army in Hungary and in Austria to use that many trains either going East or West, it didn't mention what direction it was going. If they had asked for 10 trains, or no trains, then that would have been news; but 120 is not news. I do not know who released the articles.

*GENERAL SVIRIDOV*: It is believed that it is a correspondent of the Associated Press.

*GENERAL WEEMS*: We have three correspondents of the Associated Press either here or who have just gone, passing through to Romania.

*GENERAL SVIRIDOV:* I want to tell General Edgcumbe that if correspondents give out articles of that nature then naturally the Commander of the Occupational Forces is going to be very wary in giving clearances for their entry into Hungary. Because that is a provocative piece of information which can make anybody think anything and ask themselves why are the Russians demanding so much rolling stock, why are they flinging their troops from one place to another? It is a lie of provocative nature. If correspondents are going to publish articles like that which are going to undermine our friendship, then there will be no clearance for them into the country. I would be very grateful to General Weems if he would find out exactly which one of his correspondents was responsible for that statement.

*GENERAL WEEMS:* What does General Sviridov want to do with the individual if he finds out?

*GENERAL SVIRIDOV:* I would like to have a friendly talk with him.

*GENERAL WEEMS:* All right. I will see what I can find out.

*GENERAL EDGCUMBE:* I would like to thank General Sviridov for telling us that, but what I would like to say is this is the first I have heard of this and if General Sviridov had written to me and told me that this had happened I could have understood and could have told British correspondents to behave. Now we know what happened, I hope that General Sviridov will get us the clearances for these outstanding and if there are any further instances like this I would like to be informed and I would see that such correspondents would be dealt with accordingly. What General Sviridov says is true, it is very provocative and wrong.

*GENERAL SVIRIDOV:* How many does General Edgcumbe still have left?

*GENERAL EDGCUMBE:* 13 cases.

*GENERAL WEEMS:* I have 11 from June, all pending. Also a few others for the month of July.

*GENERAL EDGCUMBE:* One other small point. I would be grateful if the General would let me know why Miss Tracy was definitely refused. She is the only correspondent who has definitely been refused in the 2-1/2 years we have been here and I do want to know what is against her on the records.

*GENERAL SVIRIDOV:* I have not yet received an answer from our Occupational Forces and since I have not yet gotten their reply I cannot tell you the reason they give. With all these correspondents, and Miss Tracy with them, I will again have a talk with the Commander of the Occupational Forces.

*GENERAL EDGCUMBE:* Thank you, General.

*GENERAL SVIRIDOV:* Correspondents who have already received clearances and are already in Hungary, before having left Hungary asked for further clearances. In the words of the Chief of Staff of the Occupational Forces, it is incomprehensible why we should be applying for a further and second clearance for anybody who is here now and yet is still putting in an application for further clearance.

*GENERAL EDGCUMBE:* That is a mistake in administration. I am sorry.

*GENERAL WEEMS:* We have had a case along that line. A person comes in under a clearance issued. He was late in coming in from Vienna to Hungary and puts in a request to go out of Hungary and that clearance is not granted before his clearance has expired. So his clearance is illegal whether he stays or whether he goes.

*GENERAL KONDRATOV:* If this refers to Mr. McCormack's case, it is not true because he arrived the 2nd of June and he is trying to stay up to the 2nd of August.

*GENERAL WEEMS:* I didn't refer to Mr. McCormack. It was somebody else whose name I do not recall. May I continue on the subject of clearances? There is an American businessman, Mr. Lineau of the Vacuum Oil Company, whose headquarters are located in Budapest. He is the Vacuum representative in Central Europe, covering five countries, and in his capacity as the representative of this company he should go in and out of the countries that he represents. We have put in requests the first on 6 May to go out and come in, and it was granted promptly on the 7th of May. On the 5th of July we put in another request for Mr. Lineau and his wife to go to Vienna. The request to depart was granted but not to reenter. Of course if Mr. Lineau is not assured that he can enter promptly, he would not dare leave the country. I will ask if the Acting Chairman will kindly reconsider the letter of July 5th and one on July 9th signed by Colonel Stokes in which Mr. Lineau was granted the privilege of departing only but not to reenter.

*GENERAL SVIRIDOV:* All right.

*GENERAL EDGCUMBE:* We have a similar case, Mr. McClain, who also is a permanent resident here, who also has been granted permission to leave but not come back in.

*GENERAL SVIRIDOV:* The explanation is probably in the fact that he has asked to go away for two months or more and in view of that it is possible that here has been granted exit clearance only. The Commander of the Occupational Forces says we do not know what is going to happen in two months' time. It will be a different position and probably the Hungarian Government themselves will be making the decision. Perhaps Mr. McClain is going away for a two months period and does not know when he is going to come back.

*GENERAL EDGCUMBE:* I want to ask General Sviridov if he can just tell me something about this matter. A certain number of Hungarians apply for exit permits to go to the United Kingdom and just recently my information is that in several cases individuals who have received all the permits to leave Hungary and go to the United Kingdom, including the Hungarian permits, found that they were unable to get the Russian permit. I would like to ask the General if he could tell me what the policy is because it seems to me if the Hungarians are given all the permits by their own government it is not reasonable for them to be prevented going, but I do not know whether it is the Occupational Forces or whoever the particular Soviets concerned are in giving exit permits. I actually wrote the General in the case of Miss Dióshgyi, my letter No. 901 of the 1st of July and I was told that Soviet exit permit was definitely refused. It does not seem the case where any of us should interfere if the Hungarian Government give the permits and unless the individuals are undesirable people from the point of view of the Soviet Occupation Forces. I wonder if General Sviridov could either tell me now what the procedure is or look into the matter and let me know.

*GENERAL SVIRIDOV:* I want to inform General Edgcumbe that the procedure, the order is general. Permission is given by the Commander of the Occupational Forces. He gives all clearances for all citizens, whether they be English or Hungarian, and the Allied Control Commission puts in the applications and reports his decisions either through General Sviridov himself or through the Chief of Staff of the ACC, General

Kondratov. As far as Miss Dióshgyi is concerned, we will have a look at the case and consider the matter. This procedure also extends to the Soviet citizens in Hungary and decision for their clearances is also made by the Commander of the Occupational Forces. As far as Miss Dióshgyi is concerned, I promise General Edgcumbe that I will look at the case and talk with the Commander of the Occupational Forces and will try my best to get a positive answer in her case.

*GENERAL EDGCUMBE:* I am not particularly interested in this Miss Dióshgyi but I am told there are now 30 cases outstanding, waiting to get their permits to travel from Hungary to England, having been granted permission by the Hungarian Minister or Interior. So I shall be grateful if the General will ask the Commander of the Occupational Forces. It is no business of ours and it seems to me that it is a question for the Hungarian Government.

*GENERAL SVIRIDOV:* Thank you.

Allow me to thank you for attention and allow me to end this meeting.  
The meeting adjourned at 17.00 hours.

711.9 Allied Control Commission, Record Group 84, Budapest Legation File; NA, Washington D.C.

## 49.

*Conference of 15 August 1947*

Minutes of a formal ACC meeting where matters concerning the repatriation of Hungarian POWs and displaced persons, Hungarian political parties, clearances, etc., were discussed

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

### NOTES

A meeting of the Allied Control Commission for Hungary was held at 14.30 hours on 15 August 1947 in the conference room of the Soviet Headquarters in Bajza utca, near Andrásy út, Budapest, Hungary.

The meeting was called to order by the Acting Chairman, Lieutenant General V P Sviridov, who presided in the absence of Marshal Voroshilov.

Present were: *The United States Representation:* Brigadier General George H. Weems, Colonel John H. Stokes, Jr., Lieutenant Colonel Bernard Thielen<sup>462</sup>, 1st Lieutenant Ronald A. Gaiduk.

*The British Representation:* Major General O. P. Edgcumbe, CBE, MC, Colonel E. R. Colwill<sup>463</sup>, Lieutenant Colonel H. P. Whitefoord, Lieutenant Colonel P. C. Capron.

*The Soviet Representation:* Lieutenant General V. P. Sviridov, Major General A. N. Kondratov, Major General A. M. Belianov, Lieutenant Colonel Grazhdanov, Lieutenant Colonel M. I. Cherkasov.

<sup>462</sup> The author has no data available regarding Lt. Colonel Bernard Thielen.

<sup>463</sup> Colonel E. R. Colwill, Head of the Military Section of the British Military Mission.

The discussion was substantially as follows, subject to any discrepancies in the translation from Russian.

Note: No agenda was prepared by the Acting Chairman, but the following proposed agendas were submitted by the British Representation and the United States Representation:

### *British Representation*

#### 1. *The handing over of German Assets to the Soviet Union under the Potsdam Agreement.*

a) The attached verbal note No. 733/F. O. /1947 dated the 24th July 1947 from the Hungarian Ministry of Foreign Affairs, refers to the above matter and states that discussions etc., regarding British properties must be carried out within the ACC. This has always been the practice and it is also not clear why the attached note was sent to the British Political Mission. It is requested that the Chairman will clarify this matter.

b) With reference to the firm known as "Soproni Fésűsfonógyár Sopron RT." My letter BMH/401(305)/Econ-Fin of the 9th July 1947 drew attention to the British interests in this firm and requested the withdrawal of the Soviet demand. It is desired to be informed whether this matter has now been dealt with.

c) With reference to the firm "Inter-Continental RT," which is a 100% British firm, it is desired to know that action by the Soviet authorities has been suspended pending the production of the necessary evidence regarding British ownership. My BMH/401(3)/Econ-Fin of the 2nd August 1947 refers.

#### 2. *Repatriation of Hungarian prisoners-of-war and displaced persons.*

In my letter BMH/7/Mil of the 26th July, 1947, I requested the Chairman to instruct the Hungarian Government to issue accurate information regarding the return of Hungarian prisoners-of-war from the British Zones. It is desired to know whether the Hungarian Government are taking the necessary steps to meet my request in this matter.

#### 3. *Schwabians.*

It is noted from the Hungarian newspapers that there are reports to the effect that some 50,000 Schwabians may be deported to the Russian Zone of Germany. It is desired to know whether this is correct and whether there are any developments generally regarding the deportations.

#### 4. *Hungarian political parties.*

According to the Hungarian newspapers a new party called the Christian Women's Camp has been formed by Margit Schlachta [sic!]<sup>464</sup>. At a recent meeting with the Chairman, he stated that no applications had been received for approval of this party by the ACC, and it is desired to know whether there are any further developments.

### *United States Representation*

#### 1. *American Properties taken over by Soviet Authorities as German Assets.*

a, Letter 25 July 1947 sets forth claim of Louis and Eugene Rothschild, American citizens, in the Soproni Fésűsfonógyár.

<sup>464</sup> Slachta, Margit (1884-1974), nun, Legitimist politician, leader of the party called Christian Women's Camp, emigrated to the USA in 1949.



b, Letter 26 July 1947 sets forth claim of Dr. Siegfried Arndt, an American citizen, in the Hungarian Odol Works and the Medicheemia Company.

c, Letter 14 July 1947 gives evidence of the ownership by the International Telephone and Telegraph Company of 807 patents, property of German subsidiaries of the International Telephone and Telegraph Company.

The reference letters give what appears to be definite evidence of the American ownership in the firms concerned and it is desired to know what action on the part of the soviet authorities has been or will be taken in these cases.

#### 2. *Hungarian Nationals Repatriated from United States Zones.*

It is desired to mention articles in the local press and comments by Hungarian officials on this subject<sup>465</sup>. It is further desired to correct the figures given at the last meeting of the Allied Control Commission.

No answer has been received to my letter of 14 July 1947 to the Acting Chairman asking for certain information from the Hungarian Government as to their desires regarding repatriation of Hungarian nationals in the United States Zone of Germany.

#### 3. *Press Correspondents.*

There are 20 United States press correspondents awaiting decision of the Occupational Forces as to whether they will be cleared to come into Hungary. Letter 31 July 1947 refers.

Recently five correspondents listed in reference letter were granted entry permits but there has been no decision made in regard to the remaining 20.

#### 4. *Clearance for Exit and Reentry.*

Information is desired as to what the Soviet Occupational Forces' policy is in regard to requests for exit and reentry. It is noted that in some cases exit clearance is granted but not for reentry. Examples: letter 30 July 1947 inclosing letter from Prime Minister in the case of Mr. Cholko; letter 29 July 1947 in the case of Mr. Carlton M. Fisher. It is desired to point out that individuals desiring to leave and return to Hungary on business are hesitant to accept exit clearance without assurance of permission to reenter.

#### 5. *New Political Party.*

Local papers report that Sister Margit Slachta has applied through the Minister of Interior to the Allied Control Commission for permission to form a new political party. The program of the political party formed by Mr. Zoltán Pfeiffer<sup>466</sup> was noted with interest, but no information has been received as to the program of the party that Sister Margit Slachta proposes to form.

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*SVIRIDOV:* The first item on the agenda is one tabled by General Edgcumbe and General Weems and concerns German assets. The letters written by General Edgcumbe and General Weems were received by me and I have studied them and I must say that the question is one that is rather complicated. Nevertheless I will endeavor to pass whatever information I am able to pass. These matters are being

<sup>465</sup> See document 48.

<sup>466</sup> Zoltán Pfeiffer, former Smallholder politician, founded the Hungarian Independence Party in 1947. At general elections of August 1947 the Hungarian Independence Party won 13.4% (49 seats) but all their mandates were nullified by the electoral court in November. Pfeiffer escaped from Hungary to the US zone of occupation of Austria in November 1947.

handled or investigated by the chief of the economic section. Lieutenant Colonel Grazhdanov and his staff, therefore, I request your permission for Lieutenant Colonel Grazhdanov to make a statement. The first one concerns the claim by two American citizens, Louis and Eugene Rothschild, in the matter of their property in Soproni Fésztisfonógyár and General Edgcumbe. In his letter states that there is a British interest of a certain Clarice Rothschild also in that firm.

*COLONEL GRAZHIDANOV:* It is a fact that the Soviet authorities have received the part amounting to 57 per cent of the whole, of which 33.65 per cent was the property of the Bank Nicolai in Vienna. The balance was the property of various individuals of German nationality. Apparently the 33.65 per cent owned by the Nicolai Bank is under dispute, that is because the claims put forward by General Edgcumbe and General Weems concerns this amount of 33.65 per cent.

*GENERAL SVIRIDOV:* According to the letters of General Weems and General Edgcumbe, the holdings of this bank, the 33.65 per cent, were appropriated by the bank under duress from various individuals, and therefore as these shares were taken away under duress by this firm the argument is that it was illegal and should be returned to their owners. That is how I understood the two letters in question and I would like to be informed whether I have understood correctly.

*COLONEL GRAZHIDANOV:* We have no documentary evidence to say how or when these shares actually came into possession of the bank. All there is a one-sided declaration on the part of the Rothschild family which is a tax letter saying they own this particular part of the shares. Furthermore, nothing is stated in Rothschild's letter to say how or when these shares were expropriated by the bank and also whether they were disposed of legally by the Rothschild family to them. Since there are no means of investigating this case properly in Hungary, no document or anything of that description, and since in Austria there is an Allied Control Council which is competent to deal with such cases, I suggest the whole matter be decided there in Austria. We took over the 33.65 per cent on the grounds that these shares were held by this Nicolai Bank and also the fact that the Nicolai Bank was a German bank, and there remains another balance of 57 per cent.

*GENERAL SVIRIDOV:* The basic question to be decided is in what manner this Nicolai Bank took over these shares. Did they take them over under duress, expropriated them, did they buy, or in what manner did they take them over? That is the question to be decided. I suggest that since this bank is located in Austria the question should be decided there, to decide the extent of the holdings and to whom they legally belong and to whom they should be handed over. According to the information at the disposal of the Hungarians, the Nicolai Bank purchased these shares. Therefore, if that is so then it is German property. What opinion do General Edgcumbe and General Weems hold?

*GENERAL EDGCUMBE:* I am looking at my letter which I wrote on the 9th of July and I see there that by order of the Court in Vienna, dated the 2nd of July, the firm of Nicolai were ordered to return the shares which belong to the Rothschilds. Well, the presumption is that the Court in Vienna were satisfied that the shares had been improperly taken and were really the property of the Rothschilds. In view of what the General said, I take it now that General Sviridov is asking for further proof over and above that and I am prepared now to write to the Control Commission in

Vienna, the British element, and ask them to get further details of this Court order and the evidence and if the General thinks it is the best plan, to present that to the Soviet element in Austria and ask them to see whether or not it is correct and to inform General Sviridov accordingly. It seems to me the best way. In other words, it is really doing what General Sviridov suggests in asking the Control Commission in Austria to look into the question in Vienna.

*GENERAL SVIRIDOV:* I will be very glad if you will do that.

*GENERAL EDGCUMBE:* Yes, I think that seems the best way.

*GENERAL SVIRIDOV:* They must decide also whether the Nicolai Bank procured these shares in a legal manner or whether they expropriated them.

*GENERAL WEEMS:* I have the same Protocol of the Courts in Austria returning these properties to their rightful owners apparently, and it seems to me that that should be evidence in itself that the property belongs not to the Nicolai Bank but to the Rothschilds who claim it.

*GENERAL SVIRIDOV:* But naturally the Court arrived at this decision and can provide documents supporting it. The supporting documents are most important and they should back up their decision with supporting documents, a copy of which should be provided ACC Hungary.

*GENERAL WEEMS:* I put this point on my agenda for another reason. It appears to me that the procedure of the Soviet authorities in taking over alleged German assets is not in accordance with the provisions of the Armistice Agreement. I refer particularly to Article 8. Since the Hungarian Government has not followed the procedure set forth in the Armistice Agreement, I should like to have a statement from the Hungarian Government, that is the Reparations Office, as to the reasons why they have transferred property either known to be or claimed to be property of United States nationals to the Soviet authorities. Also I should like to know if the Chairman of the ACC in Hungary has been consulted in the matter of the transfers of these properties from the Hungarian authorities to the Soviet authorities.

*GENERAL SVIRIDOV:* I should like to answer this question as follows. The turning over of German properties by the Hungarian Government to the Soviet Government has been done in accordance with the precepts set forth for such matters at the Potsdam Agreement. For that reason Statute 8 of the Armistice Agreement is not in place here. The basic authority for the transfers in this case is the provisions for this matter of the Potsdam Agreement and the Allied Control Commission regulations of Germany. Secondly, I should like to add that there has never been any occasion where the Soviet Government has knowingly taken over property belonging to Americans or British as a German asset. Last year, 1946, there were two or three occasions where the Soviet Government wrongfully appropriated American property. As soon as they became apprised of this fact they immediately cancelled the entire transaction and returned the said property to its rightful owners. The giving over or appropriation of these properties takes place under the following procedure. There is a mixed commission consisting of Hungarians and Soviet representatives which, upon examining all pertinent data and documents, comes to a decision whereby it appropriates these properties as is indicated by the supporting evidence. None of these appropriations are made without proper documentary backing. In the examination of this data, this evidence, these documents, the different members of the commission work on an equal

basis and have equal powers. They arrive at decisions together and one side, whether it be Soviet or Hungarian, does not dictate to the other. They have equal powers in coming to a decision. I can cite dozens of examples where the Hungarian membership of the commission refused to concur with the Soviet view and where the Soviets therefore were able to do nothing about it, and only those properties were appropriated where there was no doubt on either side that the properties were German. In the acts of appropriation there is always this provision put in, that in the case of any additional evidence or information or documentary proof turning up at some future date this mixed commission will not refuse to reconsider any such case. In this given case we shall certainly examine all evidence and if we should find, through documentary proof, that there has been some mistake we shall certainly do everything to correct that mistake and return such property to its rightful owners. In this case we have had documents which supported the fact that this property was 33.65 per cent owned by the Bank of Nicolai. Since these documents were substantial, we accepted them as proof and for that reason considered the 33.65 per cent German property since the bank was German. As for myself, I have absolutely no connection with the transfer of this property. Of course I am interested in the matter but only insofar as the correctness and properness of the procedure in coming to the decision is involved. All I want to find out is whether the proper procedure has been followed, whether the decision arrived at is supported by proper documentary proof, and if that is so I am satisfied. I have nothing personally to do with drawing up the documents. I do not come to any of these decisions myself - the Hungarian-Soviet mixed commission does that.

*GENERAL WEEMS:* Going back to one of the remarks made by General Sviridov about how these decisions are arrived at, I should like to make the observation that in the meeting of the mixed commission on 5 April 1947 the Soviet element laid claims to certain items - the third letter mentioned in my No. 1 point on my agenda - in which the Soviet element laid claims to these patents, whereupon the Hungarian element of this mixed commission showed the claims that had been put forth by the United States but the Soviet element insisted on taking over these patents. This was the Lorenz property. In spite of the Hungarians they insisted on taking over and the Hungarian element on the mixed commission had to give in.

*GENERAL SVIRIDOV:* I should like to say to General Weems at this time that neither he nor I was present at the meeting and we cannot, we are not competent, to judge at this point whether the decisions arrived at are proper or improper. We would have to examine more closely the actions at the meeting. I should like to add that the Hungarians at this time do not very happily give over German properties, appropriate German properties, so I imagine in these commission meetings quite a few heated arguments take place. Without a doubt that is true.

*GENERAL EDGCUMBE:* General Sviridov said that his part really is to see that the procedure is correct. I am very pleased to hear that, but I would like to turn again to my letter of the 9th of July and in that letter I said to General Sviridov, gave him the facts, and I referred to this order of the Court in Vienna, and I said they had ordered the return of the shares to the Rothschilds. Today is the 15th of August and I have had no reply, no request, for five weeks or so from the Chairman to give him any further evidence. I presume this letter has gone on to the mixed commission and I think the mixed commission ought to work a little more quickly. I suggest that the

mixed commission ought to have suggested to General Sviridov that they required something and told me what was happening. Now for five weeks I have that letter in and have no reply or nothing at all. I must say that I think the mixed commission has been rather slow in giving some reply to my letter. I have had nothing for five weeks, so I would like to suggest to General Sviridov that I think the mixed commission is not working correctly in not answering my letter or not giving General Sviridov the answer so that he can answer. Therefore I would ask the General to use his influence to tell this commission that they have to work more quickly when one of his colleagues puts forward requests or complaints.

*GENERAL SVIRIDOV:* I must inform the General that his letter was received by me on the 12th of July. A letter about the same subject was received from General Weems on the 30th of July. I got in touch with the commission and required them to investigate and naturally to give a reply. I consider that General Edgcumbe's approach on this matter is well founded and I shall inform the commission that they must investigate these matters promptly and also give a reply.

*GENERAL EDGCUMBE:* Thank you.

*GENERAL SVIRIDOV:* I would like your permission to proceed to the next question.

*GENERAL EDGCUMBE:* While we are talking about these German assets, I have another point.

*GENERAL SVIRIDOV:* There are three more points about German assets.

*GENERAL EDGCUMBE:* Let us proceed. Thank you.

*GENERAL SVIRIDOV:* The next question concerns the German owned property of Odol<sup>467</sup> that has been transferred to the Soviet authorities. Another is the Medicemia Company that was raised by General Weems. The claimant is a United States citizen by the name of Dr. Siegfried Arndt.

*COLONEL GRAZHIDANOV:* The assets, the properties of these two firms were received by Soviet authorities as German properties in 1946. These two firms, in accordance with the information at the disposal of the Hungarians, are subsidiaries of a German firm, Lingner Werke, with headquarters in Berlin. All the documents which were exhibited here in Budapest proved that these two firms were the property of the German firm Lingner Werke, therefore, on the basis of those documents the commission, at least the Soviet authorities, took the property over as former German assets. Then there were no documents to prove any American interests in either of these two firms and neither are there any documents now to prove such interest. General Weems got some documents from this particular doctor in effect saying that the firm of Odol belonged to a German firm by the name of Kiag and that Kiag in their turn were the owners of the firm Lingner Werke, therefore through all that procedure how much belongs also to this doctor.

*GENERAL WEEMS:* 100 per cent of Kiag.

*COLONEL GRAZHIDANOV:* I do not wish to dispute that, but to whom does this firm Lingner Werke belong?

*GENERAL WEEMS:* Lingner Werke belongs to Kiag and Kiag is 100 per cent owned by Dr. Arndt.

<sup>467</sup> A German chemical firm.

*COLONEL GRAZHIDANOV:* I see that from General Weems' documents. The point is here that that declaration is made by Dr. Siegfried Arndt and it is true that a notary has confirmed or legalized the documents, but it is the doctor's own personal claim and there are no documents to show that Lingner Werke belongs to Kiag. Therefore, there was a natural case for the documents to be sent to the Allied Council for decision. Here we can not say either yes or no.

*GENERAL WEEMS:* What steps should be proven?

*COLONEL GRAZHIDANOV:* The fact that Odol belongs to Lingner Werke we know, but we have absolutely no substantiation of the claim that Lingner Werke belongs to Kiag except this personal statement of Dr. Arndt. We must have some substantiation of this statement. Probably there are documents in Germany and if there are documents then the case will be decided.

*GENERAL WEEMS:* I was under the impression that the enclosures, the supporting documents that I submitted from the Amsterdam Agreement and the letter of 5 July 1933 from the Kontinentale Treuhandgesellschaft was sufficiently clear to indicate the ownership of those firms.

*COLONEL GRAZHIDANOV:* Correspondence between two companies cannot serve as a basis to establish ownership of property.

*GENERAL SVIRIDOV:* Our request is to hand this whole matter over to the Allied Control Council of Germany for consideration. That is more logical because they can get hold of all necessary documents, papers, proofs, witnesses, and everything else, matters that we cannot lay our hands on over here. They are, therefore, more competent in arriving at a decision and once they arrive at a decision they can apprise us of it and we can take proper action thereafter.

*GENERAL WEEMS:* I would like to have one additional point clarified. Just exactly what proof should be established in this claim of ownership. As I have indicated, Arndt owns 100 per cent of Kiag; Kiag in turn owns 100 per cent of Lingner Werke, which in turn owns 100 per cent of Odol and Medicemia. If there is any one step or two steps in there that General Sviridov wants to get evidence on, I would like to know it.

*COLONEL GRAZHIDANOV:* We know that Odol and Medicemia belong to Lingner but we do not know that Lingner belongs to Kiag and that is what must be determined. We should turn the whole matter over for consideration to the Allied Control Council for Germany. We know from the report of this company Kiag that it belongs to Dr. Arndt, but to what percentage, what part of it? How much of it belongs to Dr. Arndt? Even that cannot be determined from the report we received.

*GENERAL SVIRIDOV:* I would like to point out too that in the statement of Dr. Siegfried Arndt he says that he first received his American passport in 1946.

*GENERAL WEEMS:* He has been recently made an American citizen.

*COLONEL GRAZHIDANOV:* (Reading from a letter) "From January 1939 to the moment of my naturalization as an American citizen I was a citizen of the Principality of Lichtenstein." So he was a German.

*GENERAL WEEMS:* He was not a German. When the Potsdam Agreement was arrived at he was an American citizen. I would like to make one request of the Chairman. In my letter of 26 July on this subject I submitted certain documentary evidence, proof, and I would like to have those returned to me for further examination

in view of the fact that I am confident that translations have been made of them already.

*GENERAL SVIRIDOV:* Of course all your documents are safe and they will certainly be returned to you.

*GENERAL WEEMS:* Fine.

*GENERAL SVIRIDOV:* I should like to get the General's permission to return these documents to him tomorrow.

*GENERAL WEEMS:* Any time.

*GENERAL EDGCUMBE:* We are spending a lot of time talking about a lot of detail, and the General said now that he was interested in the procedure of this and that is what we are interested in. We have had cases here where we want some more evidence and we are finding this out by a process of lengthy talk at this meeting. I suggest that in each of these cases where either I or General Weems have a claim to make our letters should be sent to General Sviridov. He should send the letter on to the mixed commission and should then instruct the mixed commission that he will send a representative of mine or General Weems' to go to the commission instead of spending a lot of time talking about what details are wanted. They should go to this commission and find out what evidence is required. That should save us all a lot of time and we should all be satisfied that our claims are being investigated. The commission receive General Weems' letter, the next thing they would arrange for a representative of the American Mission, through General Sviridov, to go to the meeting of the commission.

*GENERAL WEEMS:* I agree and believe it would be a simple way to handle it.

*GENERAL SVIRIDOV:* In line with that, I should like to cite the complaint of General Weems concerning 807 patents of the International Telephone and Telegraph Company and to send one of his representatives down to the mixed commission to be present at the determination of whom the patents belong to. I would ask General Edgcumbe to do the same for the purpose of finding out all details concerning the Kontinentale.

*GENERAL WEEMS:* I should be very pleased indeed and shall take steps to find out when my representative can go down to the commission.

*GENERAL SVIRIDOV:* In other words whenever the mixed commission meets to consider any case concerning the property of an American or British subject we shall henceforth invite a representative of the party to be present at the proceedings.

*GENERAL EDGCUMBE:* I think that is good.

*GENERAL SVIRIDOV:* So I should like to repeat that whenever the mixed commission meets to decide on properties belonging either to British subjects or American citizens, like any disputed claims put forth by General Edgcumbe or General Weems, the commission meeting deciding on the justness of that claim will invite a representative of one of the interested parties.

*GENERAL EDGCUMBE:* This letter we had from the Ministry of Foreign Affairs, Item 1(a) (Note Verbale), I would like to know from the Chairman whether he has any remarks about that. This suddenly arrived without any reason and it was addressed to the British Political Mission, and it just arrived for no reason apparently.

*GENERAL SVIRIDOV:* A misunderstanding has arisen here. That Note Verbale was sent to the Czechs and in all probability a copy for information only was passed

to the others. There is an inaccuracy in this Note to the effect that the Allied Control Commission decides these questions. It is the mixed commission that does it; we can not interfere. There are occasions when there is an argument or dispute between the British and Soviet authorities on one hand and American and Soviet authorities on the other, and naturally we can not interfere in such matters. This was a natural misunderstanding by which this Note was sent out.

*GENERAL EDGCUMBE:* Thank you very much.

*GENERAL WEEMS:* I agree.

*GENERAL SVIRIDOV:* May we assume then that Item 1 on the agenda concerning ex-enemy property as having been dealt with. Colonel Cherkasov will inform the British and the Americans when their representatives will be required to attend commission meetings, together with available documents.

*GENERAL EDGCUMBE:* Thank you. That is good.

*GENERAL WEEMS:* Good.

*GENERAL SVIRIDOV:* Permit me to proceed to the next question, that is one of an announcement in the SZABADSÁG in regard to the return of prisoners of war. I received the letters from General Edgcumbe and General Weems wherein they protested against the incorrect announcement made by this newspaper SZABADSÁG. Later there was an announcement made in the newspapers MAGYAR NEMZET and SZABADSÁG correcting the previous statement. The MAGYAR NEMZET published their announcement on the 3rd of August and the SZABADSÁG published theirs on the 6th of August. Do General Weems and General Edgcumbe consider that the announcements made in these two newspapers are sufficient, and do they further consider that the incident may be closed? In my opinion the Hungarian public are now correctly informed. In fact the MAGYAR NEMZET published the communiqué as put out by General Weems and that gives the public a correct picture.

*GENERAL EDGCUMBE:* Thank you. As far as I am concerned I am quite satisfied with it.

*GENERAL WEEMS:* I should like to add one remark. In that connection I have not received a reply from the Hungarian Government to my letter of the 14th of July.

*GENERAL SVIRIDOV:* I should like to say to General Weems that both his letters, the letter of the 14th of July and the letter of the 4th of August, have been forwarded to the Minister of Internal Affairs of Hungary. But to my extreme regret I have not as yet, despite my frequent pleadings and exhortations, received a reply from the Minister of Internal Affairs. I have another time begged the Minister of Internal Affairs to expedite answers to General Weems' correspondence. As soon as I receive the answers from the Minister of Internal Affairs, I shall forthwith forward them to General Weems.

*GENERAL WEEMS:* For the record, I should like to make a correction on the figures that I gave in the last meeting<sup>168</sup> in regard to repatriates from the U. S. Zones. At the last meeting I stated that more than 270,000 Hungarians had been repatriated from the U. S. Zones. It should have been 230,000. The exact figures, according to the Repatriation Office, those repatriated from the U. S. Zones between 1 September 1945 and 31 October 1946, is 232,969.

<sup>168</sup> See document 48.

*GENERAL EDGCUMBE:* I think it might interest the meeting to know I gave some figures last time of those repatriated and those still waiting repatriation, and I have had some approximate figures of those waiting repatriation in Austria - about 7,000 are waiting, and in Germany 1,700. These are approximate figures.

*GENERAL SVIRIDOV:* May we consider that question as closed and dealt with?

*GENERAL EDGCUMBE:* I want to refer to a letter I wrote to General Sviridov on the 7th of August stating that there is a Hungarian Mission looking for Hungarian belongings in Germany and it has been suggested that the same party should act as repatriation commission to investigate the Hungarians in Germany and see whether they are really Hungarians. I have written the letter to General Sviridov and asked that it be forwarded.

*GENERAL SVIRIDOV:* General Edgcumbe's letter has been forwarded.

*GENERAL EDGCUMBE:* Thank you very much.

*GENERAL SVIRIDOV:* May we consider the question of this famous new party, Margit Slachta's, as having been dealt with and finished.

*GENERAL EDGCUMBE:* I think we can.

*GENERAL WEEMS:* I agree.

*GENERAL SVIRIDOV:* May we proceed to the question about the entry to Hungary of press correspondents? I should like to inform Generals Edgcumbe and Weems that as of this date we have, for the month of July and August, received clearances for 23 British correspondents and 20 Americans, 43 in all, and I have just received clearances for four more people, two British and two American.

*GENERAL WEEMS:* That 23 and 20, is that requests for clearances or that many have been cleared?

*GENERAL SVIRIDOV:* Those are regular clearances that have been granted and if you include the recent four it will be 25 for British correspondents and 22 for American correspondents for the months of July and August, and as I have been doing before I shall continue to urge the High Command of the Occupation Forces not to hold up these requests for clearances but to expedite them as much as possible in the cases of correspondents. What would General Weems and Edgcumbe like to say in regard to this?

*GENERAL EDGCUMBE:* I would like to thank the General for his assistance in this.

*GENERAL WEEMS:* I should like to make a point in this connection. According to my records there is still no action taken on 21 requests for clearances for press correspondents between June 13th and August 13th. I pass to General Edgcumbe and General Sviridov a list of these 21.

*GENERAL SVIRIDOV:* It is very possible that some of the people on this list are on their way over here as much as the third or fourth time already. It is very possible that this is the third or fourth trip that these people intend making to Hungary.

*GENERAL WEEMS:* I recognize only two names. They all call on me when they come.

*GENERAL SVIRIDOV:* We have no objections. They may go back and forth even five or six times.

*GENERAL WEEMS:* I would like to make the observation in this connection that although this seems to be a large number of correspondents, many of these individuals are only passing through here and go on to Romania or Yugoslavia.

*GENERAL SVIRIDOV:* We have received clearance for Mrs. Jane Low of FORTUNE and Walter Green of the Associated Press, and for the British Mr. Harris and Mr. Eastwood.

*GENERAL WEEMS:* I would like to make an observation here. You granted clearance for Mrs. Jane Low, who represents FORTUNE. Why not let her husband come along with her?

*GENERAL SVIRIDOV:* Well, we'll find a wife for him then and we will have to find a man for Mrs. Low. What further points are there to be made in this connection? The list, which General Weems has given to me, I shall arrange to get action on as much as I can.

*GENERAL WEEMS:* I appreciate that very much. I want to repeat what I mentioned a while ago, that most of these people stay here for only two days and pass through.

*GENERAL EDGCUMBE:* May I ask a point about clearances, but not press? There was rather a strange case. I wrote on the 1st of August to the General about a Dr. and Mrs. Turgil who were refused and then somehow they got a green pass to come in through some Hungarians. I nearly kicked them out again.

*GENERAL SVIRIDOV:* It is possible that the Prime Minister made a special request for them. Some times the Ministers will invite somebody from the UK.

*GENERAL EDGCUMBE:* Naturally the General will understand I was very surprised. I nearly arrested them myself and told them to go. Another point. I am writing a letter to the General but I would like just to mention it now. In Germany, actually in Hanover, there is a trade fair being arranged between the 17th of August and the 17th of September and the Hungarian Ministry of Commerce have nominated 15 Hungarians whom they wish to go to this fair in order to arrange trade between Germany and Hungary. The names, of course, of these individuals, being Hungarians, will come up for their exit permits in the normal way but there is not very much time for them to get them and owing to accommodation reasons they can not all go together. They have to go in two parties because they can not all be accommodated in Hanover at the same time. It is rather important that they should get their exit permits in time for the dates that they ask. I will ask in my letter to General Sviridov that he do his best that the Soviet exit permits should be provided promptly. It is in the interest of trade between Hungary and Germany.

*GENERAL SVIRIDOV:* I must inform General Edgcumbe that the exit permits, the exit of Hungarian nationals for the purpose of visiting fairs, exhibitions, and general commercial purposes, is controlled by the Ministry of Commerce and applications are made to us by the Ministry and we satisfy these requirements. The reason for the strict control is that the government is afraid that there will be violations against currency control, etc. The reason for this control is that in the past various organizations, commercial, etc., have requested exit permits for business men amounting to more than 1,500 persons, and naturally the Ministry of Commerce had to intervene. If I receive a request from the Minister of Commerce to issue these permits, naturally I will do my best to assist him.

*GENERAL EDGCUMBE:* Thank you very much. The only thing was is that they have left the applications until very late.

*GENERAL SVIRIDOV:* I promise you that if the Minister of Commerce<sup>469</sup> puts forward these names I shall deal with the matter promptly or quickly.

*GENERAL EDGCUMBE:* Then there is no need for me to send in any list.

*GENERAL SVIRIDOV:* As soon as I receive your letter and the list of persons I will apply to the Minister of Commerce with request that he make official application, provided the Minister agrees.

*GENERAL EDGCUMBE:* That is all I have about clearances. Thank you.

*GENERAL SVIRIDOV:* There is a special point on the agenda, placed by General Weems, on the question of entry and exit. In this connection, Mr. Cholko has long ago received his clearance, and Mr. Carleton Fisher has not received clearance to reenter because the Hungarian Government objects to it.

*GENERAL WEEMS:* I should like to know the reasons that the Hungarian Government objects to Mr. Fisher's reentry.

*GENERAL SVIRIDOV:* They say that his entry into Hungary is not particularly necessary and that he really has nothing to do in Hungary. If General Weems should so desire, I will in greater detail find out the reasons for which the Hungarian Government does not support Mr. Fisher's entry request.

*GENERAL WEEMS:* It is not the case of Mr. Fisher that I am particularly interested in, it is the new policy that seems to have been inaugurated in the subject of exit and reentry. I have had several cases in recent weeks where requests were made to depart and reenter and clearance to depart only was given and no clearance for return.

*GENERAL SVIRIDOV:* I should like to answer to General Weems as follows. I am in receipt of a directive from the Occupation Forces which states that with a view toward regulating the travel back and forth across the Hungarian frontiers it will be the procedure hereafter to give clearances in only one direction, either in or out but not back and forth, and to give exit and reentry permits only in exceptional cases. I have also received a communication from the Occupation Forces to the effect that requests for exit from Hungary will be acted upon much more promptly than requests for entry into Hungary. For that reason American citizens do not have to worry once they come into Hungary. Even if it does take them long to get in, their requests for exit will be taken care of very promptly.

*GENERAL WEEMS:* Yes, but the persons who leave here, will they be sure that reentry will be granted.

*GENERAL SVIRIDOV:* In separate and special cases exit and reentry permits will be given, particularly to people who reside here permanently.

*GENERAL WEEMS:* They are the ones I am referring to in particular. I have had so many denials or failure to grant reentry that I am wondering whether this represents a recent change in policy. I have before me many cases that have taken a great deal of time to reenter. Mr. Lineau at first was not given permission to reenter; later he was. Mr. Guinn, whose wife wants to go to Vienna and have a baby, asked to go and come back. Clearance was granted for Mrs. Guinn but not for her husband.

<sup>469</sup> Sándor Rónai

*GENERAL SVIRIDOV:* I should have to add to that also the case of Mr. Thuransky.

*GENERAL WEEMS:* We didn't ask for him to come back, neither did we particularly want him in the United States.

*GENERAL SVIRIDOV:* But if Mr. Guinn were to leave Hungary it would not be particularly undesirable. I would get him the exit clearance within five minutes.

*GENERAL WEEMS:* He has a very good job here; he likes his job. I should like to mention the case of one Mr. Blosser on the Mennonite Committee. We requested clearances for exit and reentry on July 18th. It was granted for exit only on the 4th of August. It was resubmitted on the 6th of August and was supported by the Minister of Welfare, Mr. Molnár<sup>470</sup>, but reentry was denied again on the 13th of August.

*GENERAL SVIRIDOV:* I should like to repeat to General Weems this new procedure which has been handed down to me by the Occupation Forces. Hereafter permission for entry or exit will be given only in one direction. The man will be given his entry clearance and when he gets ready to leave he must apply for exit clearance. Only in special cases will clearances be granted in two directions and that is in cases of people who live here permanently, such as members of the Mission, etc. In the cases of business men who have standing running establishments over here, in cases like this exit and reentry permits can be applied for and will be granted; also in cases of people who come here to conclude trade agreements, exit and reentry permits may be obtained. But ordinarily hereafter permits will be given in one direction only and will have to be applied for each time. Also in cases where people are coming here for the realization of trade agreements, for the carrying out execution of trade agreements that have been made between respective governments, such persons will be permitted exit and reentry permits.

*GENERAL WEEMS:* Can I be assured that Americans who live in Hungary more or less on a permanent basis, who desire to go out of Hungary for business or other reasons, will be granted exit and reentry permits?

*GENERAL SVIRIDOV:* In separate and special cases such permission as the General asks for will be granted, but the merits of each case will be examined separately. Naturally people who are working in your representation or in the establishment of Minister Chapin<sup>471</sup>, there is no question.

*GENERAL WEEMS:* It is the American business people or American citizens who live temporarily, or more or less permanently in Hungary, who want to go out; cases like Mr. Cholko, Mr. Guinn, Mr. Lineau, Mr. Fisher, and now the case of Mr. Blosser who is permitted to go out but not come back.

*GENERAL SVIRIDOV:* I am of the opinion that in cases such as the General has cited permission will be granted both ways.

*GENERAL WEEMS:* I know nothing about the particulars in the case of Mr. Blosser, but I will resubmit that tomorrow, particularly because Mr. Molnár supports the exit and reentry of this individual.

*GENERAL SVIRIDOV:* Please.

We come to the next point now, a question tabled by General Edgcumbe in regard to the deportation of Schwabs. General Edgcumbe requests to be informed whether

<sup>470</sup> Molnár, Erik (1894-1966), Minister of Public Welfare from November 1945 to November 1947.

<sup>471</sup> Selden Chapin replaced Arthur Schoenfeld as US Minister in Hungary on July 2 1947.

there is any truth in the statement that 50,000 Schwabians will be deported to the Russian Zone of Germany. I may say, as has also been announced in the press, that a request has been received from the Hungarian Government for the deportation of some 45 to 50 thousand Schwabians into the Soviet Zone in Germany. We also know from the press that the Soviet authorities in Germany have agreed to accept such a number. I think I mentioned at the last meeting that a very difficult position has arisen in Hungary in regard to Schwabians who are supposed to be deported. On their land, or land there are two families, as a result have two proprietors, where you have the Schwabian sitting inside the house and the Hungarian living in the stables and barns. The Russian saying is "you have two cats in one bag." In order to do away with this position it is necessary to deport about 50 thousand Schwabians and the Soviet Government has come forward to assist in that matter by accepting that many. That is all the information I have on that particular question.

*GENERAL EDGCUMBE:* I should like to ask whether the arrangements for the deportation are similar to the arrangements for the deportations to the American Zone, because I would point out that the ACC were made responsible that the deportations were orderly and humane, and, as you will remember, we were carrying out some inspections of the train arrangements, etc., when the Schwabians were going to the American Zone. I feel that as soon as the actual movement starts, or before it starts, we should arrange to carry out the inspections of the arrangements for these Schwabians going off to the Soviet Zone, in the same way as when they went to the American Zone.

*GENERAL SVIRIDOV:* As far as I know, I am able to tell you that the deportations will be carried out in a humane manner. Every individual will have with him sufficient provisions — foodstuffs — for half a month. The question of humane transportation will be strictly adhered to. The movement will be carried out under medical supervision. The sick will not be sent, nor will pregnant women, and the whole thing will be carried out in an orderly manner. The technical arrangements are still in process of being drawn up but as far as I am informed I have told you what I have been informed so far.

*GENERAL EDGCUMBE:* Thank you very much, but I still feel that just as we paid visits to the Schwabians just before they were getting into the trains going to the American Zone it is really our duty to see what is happening before they go to the Soviet Zone because these Hungarian officials cannot be relied upon that they are doing their best. If it is agreed, I think we should be informed when the first trains are about to start so that we can arrange for a visit to the actual area from which they are going.

*GENERAL SVIRIDOV:* I do not remember when we sent off these trains to the American Zone whether Soviet representatives were present. As far as I remember, the Americans were the ones vitally interested and they checked up. I do not remember whether they had Russian representatives there.

*GENERAL WEEMS:* I extended an invitation to the other representations to inspect these trains. All of these trains that went out, members from my headquarters inspected and supervised the movement.

*GENERAL SVIRIDOV:* I assume that General Edgumbe and General Weems will entrust the matter to us to carry it out in a lawful, orderly and humane manner, the same way as we entrusted it to them in that way.

*GENERAL EDGCUMBE:* I think it is really a case of seeing what the Hungarian officials are doing before the trains actually go. In the case of the Americans we

inspected to see what the Schwabians looked like before they went. We are just checking up and seeing for ourselves how the deportations were reacting so we could give a report to our government on this matter. I would like to look up in my notes exactly what we decided before the arrangements were made to start the deportations to the American Zone. We decided quite clearly and I will see what my notes said and will ask General Sviridov to see what his notes said. It is not a matter of checking up. I know my Government is interested in knowing how the Schwabians were reacting. I would like to look up what we agreed before and I am sure we can agree again.

*GENERAL SVIRIDOV:* When the Schwabians were being deported previously it was being carried out in accordance with a plan drawn up by the Allied Control Council in Berlin and we were in actual fact carrying out the provisions of those instructions and it was under the control of the ACC. As far as we are concerned, we trusted the Americans to carry out the actual deportation according to the regulations laid down by that Council. But in the present instance of the deportation of 50,000 Schwabians to the Soviet Zone in Germany, the Allied Control Commission in Hungary has no instructions whatsoever from the Control Council in Berlin or from anywhere else. I have no instructions even from the Soviet Government to control and check on this movement of Schwabians.

*GENERAL WEEMS:* Does the General know when this movement will be under way?

*GENERAL SVIRIDOV:* Frankly I do not know. Personally I have absolutely no instructions whatsoever on this matter. It would be rather good if the Americans, profiting by the example of the Soviets, would also accept 50,000 or so Schwabians into their zone.

*GENERAL EDGCUMBE:* So far it is only really knowledge from the press reports that the Soviet authorities have agreed. Is that right?

*GENERAL SVIRIDOV:* I know it is a fact that they will be deported and the press in that connection is correct.

*GENERAL EDGCUMBE:* The General knows it is agreed in principle but has no instructions in detail?

*GENERAL SVIRIDOV:* That is so.

*GENERAL EDGCUMBE:* Well, perhaps the General will let us know for interest when he does receive information as to the start of the deportations.

*GENERAL SVIRIDOV:* I think that the Hungarian press will know before I do.

*GENERAL EDGCUMBE:* I do not want to believe the Hungarian press, but I do believe General Sviridov.

*GENERAL SVIRIDOV:* Thank you very much.<sup>472</sup>

I have to inform General Edgumbe that I have received a reply from the Prime Minister in regard to his letter regarding Paragraph 13 of the Armistice. The letter says that the Prime Minister has entrusted the chief of the Reparations Office, Dr. Posta<sup>473</sup>, to investigate this matter and to act promptly and to give him a reply.

*GENERAL EDGCUMBE:* Thank you very much. I suppose we will get a copy.

<sup>472</sup> There were approx. 50-55 thousand Schwabs deported from Hungary to the Soviet Zone of occupation in Germany in 1947.

<sup>473</sup> László Posta

*GENERAL SVIRIDOV*: I will give to you the Hungarian text direct.

*GENERAL EDGCUMBE*: Thank you very much indeed.

*GENERAL SVIRIDOV*: Quite suddenly the Hungarian Government remembered that he, General Edgcumbe, once requested them to apprehend two officers for cruelty to British airmen. I received a letter from the Minister of Foreign Affairs<sup>474</sup>. The Minister states in that letter that one person has been arrested and tried and is now serving a sentence of one year. The other man, up to the present, has not been apprehended; they can not find him, they can not trace him.

*GENERAL EDGCUMBE*: Thank you very much.

*GENERAL SVIRIDOV*: Would General Edgcumbe like to have the original of this letter?

*GENERAL EDGCUMBE*: Yes, I would. Thank you very much.

*GENERAL SVIRIDOV*: This completes the agenda for the day. I thank General Edgcumbe and General Weems for their kind attention. The meeting adjourned at 17.10 hours

711.9 Allied Control Commission, Record Group 84, Budapest Legation Files, NA, Washington D.C.,

## 50.

*Conference of 15 September 1947*

### Minutes of the final meeting of the ACC

United States Military Representation  
on the  
Allied Control Commission for Hungary  
Budapest

#### NOTES

The final meeting of the Allied Control Commission for Hungary was held at 15.00 hours on 15 September 1947 in the conference room of the Soviet Headquarters in Bajza utca, near Andrásy út, Budapest, Hungary.

The meeting was called to order by the Acting Chairman, Lieutenant General V. P. Sviridov, who presided in the absence of Marshal Voroshilov.

Present were: *The United States Representation*: Brigadier General George H. Weems, Colonel John H. Stokes, Jr., Lieutenant Colonel Bernard Thielen, 1st Lieutenant Ronald A. Gaiduk.

*The British Representation*: Major General O. P. Edgcumbe, CBE, MC, Air Commodore J. H. Simpson, RAF, Colonel E. R. Colwill, Mr. C. H. Eborall<sup>475</sup>, Lieutenant Colonel H. P. Whitefoord, Lieutenant Colonel P. C. Capron.

*The Soviet Representation*: Lieutenant General V. P. Sviridov, Major General A. N. Kondratov, Major General A. M. Belianov, Colonel I. I. Os-

trovsky, Colonel Y. A. Malevsky<sup>476</sup>, Lieutenant Colonel Grazhdanov, Lieutenant Colonel M. I. Cberkasov, Captain I. C. Potapov.

The discussion was substantially as follows, subject to any discrepancies in the translation from Russian.

Note: No agenda was prepared by the Acting Chairman or the United States Representative, but the following proposed agenda was submitted by the British Representative:

#### *British Representation*

1. It is recommended that the meeting shall consider the terms of the Armistice Agreement and that the Chairman and the British and American representatives shall each state very briefly whether it is considered that the Hungarian Government have fulfilled each particular article.

*GENERAL SVIRIDOV*: Allow us to enter upon our work.

*GENERAL WEEMS*: Good.

*GENERAL EDGCUMBE*: Please.

*GENERAL SVIRIDOV*: General Weems and General Edgcumbe have requested me quickly to run over the facts, the occurrences, by which the Hungarian Government is entered upon assuming its state of sovereignty and fulfilling the terms of the Armistice. I ask for permission to give you some brief information in regard to this point. First of all, I should like to make a brief analysis of that situation in which the Hungarian Government complied with the terms of the Armistice. The first thing that I have to note is that our work, the work of the Allied Control Commission, was built upon complete trust in the Hungarian Government, and the second thing that is absolutely necessary to note is that the Allied Control Commission in no way infringed upon the democratic development of the Hungarian Government. The Hungarians have enjoyed in the fullest measure the following freedoms and privileges: freedom of the press; freedom of radio and communications; freedom of assembly; freedom of Hungarian parties to function; the Hungarians had freedom to have two free Parliamentary elections and new parties were freely permitted to organize: there was full freedom of religion; all types of societies were permitted to organize freely. There was only one condition placed upon the Hungarian Government — that the Hungarians did not violate the 15th and 16th articles of the Armistice Agreement<sup>477</sup>. The Hungarian Government then genuinely attempted to comply with these conditions and for that reason there were no occasions of the violation of the 15th and 16th articles of the Armistice Agreement. During its entire existence the Allied Control Commission has never issued any ultimatums insofar as the infringement on democratic procedures and violations of democratic rights by the Hungarian Government was concerned. The third condition under which the Hungarian Government functioned under the Allied Control Commission is the following: The Soviet Armed Forces — Soviet representatives — and the Allied Control Commission have in many instances and in many ways given aid to the Hungarian people and economy. In 1945 a very great aid in the

<sup>474</sup> Ernő Mihályfi

<sup>475</sup> C. H. Eborall, Head of Economic and Finance Section of the British Military Mission.

<sup>476</sup> Colonel I. A. Malevsky, Assistant Chief of the Military Department of the Allied Control Commission for Hungary.

<sup>477</sup> See Appendix A in this volume.



way of produce was given by the Soviet Union to the Hungarian population. Through the absolutely free, unpaid for aid in the way of power from the Soviet Armed Forces, it was possible for the Hungarian Government to rebuild its industries. The railroad nets of Hungary were in this way also rebuilt. Hungarian communications were put into order again. Bridges were rebuilt and free intercourse along the Danube was also brought about again, and this required great work on the part of the Soviet Union in the way of cleaning the navigation channels of the Danube; there was also great work of cleaning the Danube of mines, the building of dams. Outside of this the Soviet Union also made available to the Hungarian Government ships, and up until the last day the Soviet Armed Forces have also left at the disposition and in the hands of the Hungarian Government German captured locomotives, and former German industrial holdings which have come into the hands of the Soviet Union have now been turned over to the Hungarians and are working for the Hungarians right now. Former German industrial assets which were given over to the Soviet Union are now working for the Hungarians and for the Hungarian economy, and our own Soviet industry right now — this is the paradoxical situation — is paying off reparations to the Soviet Union. I am saying this to point out that of all these aforementioned industries the Soviet Union has derived no profit whatsoever. Hungary takes all this over in the way of low taxes at low prices. All these conditions have certainly made it much easier for the Hungarian Government to comply with the directives of the Armistice Agreement. Also, these conditions have without a doubt certainly enabled the government to reconstruct its economy most quickly. Let me come to the point of the articles of the Armistice Agreement specifically, which ones have been complied with. I personally, and the chiefs of my sections, my staff, are of the opinion that the following articles have been complied with and should bring forth no objections on our part. I assume also that these following articles will bring forth no objections from my colleagues on the Allied Control Commission because they in no way have been mentioned in the peace treaty. Perhaps it will be necessary to look at the Armistice Agreement. I will enumerate the articles of the Armistice Agreement and I suggest that we have these articles in front of us. I believe that the first article of the Armistice Agreement has not been violated in any way, namely, the article which refers to the military formations in Hungary, the declaration of peace, the formation of Hungarian divisions, etc.

The second article, determination of what is to happen with territory grasped by Hungary, Czechoslovakia and Yugoslavia. May I suggest that I be permitted to go through these articles myself now and at the end the Generals may make suggestions.

The question of the assistance in movement of Soviet troops through Hungarian territory.

The fourth, about the release of all interned Allied prisoners of war and the question of assisting them in sorting out and repatriation.

The seventh, the question of transferring to the Soviet Army all German war materiel.

The ninth, the question of transferring to the Soviet High Command the river fleets belonging to the United Nations. The question of passing under Soviet control of the Hungarian Danube mercantile fleet.

The tenth, the Hungarians have fulfilled everything on their part. But insofar as a great part of this Hungarian mercantile fleet was in Austrian waters they could

not turn over that part to the Soviet authorities; therefore, only a part of the Hungarian mercantile fleet came under the command of the Soviet authorities.

The upkeep and the provision for the Soviet Occupation Forces.

The sixteenth, the distribution of political and non-political literature, also in regard to the work of cinemas, post, telegraph, etc.

The seventeenth, about the organization and the reestablishment of administration in Hungary.

The eighteenth, about the establishment of an Allied Control Commission.

That is a group of articles which, in the opinion of the Soviet authorities, the Hungarian Government has fulfilled. There is a second group of articles which are now in the process of being fulfilled, but as of the moment these articles are now in process only of being fulfilled they have a reaction on the Peace Treaty.

Article five, about the equality of rights of United Nations nationals in Hungarian territory and also the intimidation of religions and races. That article is repeated in the third article of the Peace Treaty and the Hungarian Government has promised to continue to conform to that article in the future.

Article number six, about the return of property removed to other countries during the war, that is to say during the time when the Hungarian Army occupied other countries. That article was not fulfilled and therefore there is a reaction to that in the Peace Treaty, Article 11 and Article 24.

Article eight of the Armistice terms about German assets and German property. This article has not been fulfilled in full by the Hungarian Government, but is provided for in Article 28 of the Peace Treaty.

Article number twelve, reparations payable to the Soviet Union, Czechoslovakia and Yugoslavia. This article has not been completely fulfilled. This is referred to in the Peace Treaty under Article 23.

Article thirteen, the reestablishment of the rights and interests of United Nations in Hungary. That article also has not been fulfilled and is dealt with in Article 26 of the Peace Treaty.

Article number fourteen of the Armistice terms, the cooperation of the Hungarian Government in the question of the apprehension and turning over of war criminals. That has also not been fulfilled and is referred to in the Peace Treaty under Article 6.

Article fifteen of the terms of the Armistice, the dissolution of fascist and pro-fascist organizations and other hostile organizations. That is dealt with in the Peace Treaty under Article number 4.

I have referred to or named every article in the terms of the Armistice. In regard to those articles, which the Hungarian Government has not fulfilled completely. I have to say the following, that the Hungarian Government did in fact try to fulfill these various articles, that there was no question of a refusal on the part of the Hungarian Government. Neither was there any wish on the part of the Hungarian Government to fulfill these articles. But on the other hand, it must be noted that the Hungarian Government did not apply any particular effort to fulfill these articles. Part of these articles were fulfilled in a very, very slow and dilatory kind of way which called forth on my part and on the part of General Edgumbe and General Weems a whole series of letters and correspondence. In so far as these unfulfilled articles being referred to and provided for in the Peace Treaty and that the Hungarian Government has promised

to fulfill, personally we have no particular objections to raise. With that, may I complete my arguments on the various articles of the Armistice terms?

*GENERAL EDGCUMBE:* First let me thank General Sviridov, our Chairman here, very much for his very clear and very brief summary of the fulfillment of the terms of the Armistice. I shall, of course, inform my Government exactly what General Sviridov has said. As regards to the first summary which General Sviridov made so clearly as to the Hungarians enjoying the full measures of free press, communications, etc., and the references, which are very interesting, of how the Soviet Forces and representatives have assisted the Hungarian people in their economy. I am glad to have had this information. My only comment that I wish to make on that now is that owing to the Statutes, not the articles, owing to the Statutes of our Control Commission whereby I do not have access for discussions with the Hungarian Government, I have not, of course, been in a position to discuss all the things with the various Ministers, such as General Sviridov has been in a position to discuss. I quite agree with General Sviridov that taking the general aspect of the Armistice terms it has been comparatively easy for the Hungarian Government to comply with all the articles, taking it generally. I would like now to refer to the various articles and make one or two comments.

As regards the articles which have been fulfilled, Article one. General Sviridov didn't mention that, of course, the Hungarians never produced anything but two divisions (?????) [sic!] but we all know that, I think. With regard to subparagraph *d* of that article, the placing of the Hungarian Army on a peace footing, I regret that we have had some disagreement as to the supervision of that, and although I am quite convinced that the Hungarian Army is certainly on a peace footing, if anything below a peace footing, I mention now again that we did disagree that the British and the Americans could not visit the Hungarian armed forces owing to the Soviet Occupation Forces not being prepared to permit these visits.

Article two. I have no comments.

Article three. I have no comments.

Article four. Likewise I have no comments.

Article seven. I have no comments.

Article nine. No comments.

Article ten. I have no comments.

Article eleven. I agree this article has been fulfilled and I should like to say that I think all things considered the Hungarian Government have provided for the maintenance of the Allied Control Commission well, and I would like to thank General Sviridov and his staff for having seen that the Hungarian Government produced all my demands as far as was practical. Furthermore, I must say that I have recently kept a close check on the costs and have held all the requirements down in a very reasonable way.

Article sixteen. I have no comments.

Article seventeen. I have no comments.

Article eighteen. I have no comments, but I would here like to say that Article eighteen has been largely regulated by the Statutes and we have, as you know, from time to time disagreed on the interpretation of the Statutes and owing to the fact that the Statutes were very broadly worded we have had a considerable amount of discussion amongst ourselves on such matters as clearances. Well, I hope all that is past, but

thinking over the way in which the Statutes were worded I do know that it would have been very difficult to have worded them in such a way that there would have been no possible differences of opinion between us.

Referring to the articles, which remain to be fulfilled, in process of being fulfilled, I have no comments on number five, which is being repeated in the Peace Treaty.

Article number six. That again remains to be fulfilled in the Peace Treaty; I agree with that.

Article number eight, German assets and property. That has not been completed and is in the Peace Treaty. In connection with that Article number eight, we have had certain discussions about German properties going over to the Soviet Union under the Potsdam Agreement, and there still are certain outstanding cases which must be dealt with, and of course that becomes a matter for the politicians and the diplomats.

As regards Article twelve and reparations, that of course is still in the process of being fulfilled and is included in the Peace Treaty.

Likewise Article thirteen, which is the restoration of rights and property of United Nations, and as General Sviridov pointed out, I had to make a protest recently that the Hungarian Government has been very dilatory in many cases. However, in that respect I may say I have a letter signed by no less a person than Mr. Rakosi and he says that his country has every intention to fulfill it and I hope they will be able to.

Article fourteen. I have nothing to comment on.

Article fifteen, which is the dissolution of fascist and hostile organizations, which is still provided for in the Peace Treaty. As General Sviridov knows, we had a definite discussion and disagreement over that some time ago when he passed on in, I think, July of last year a letter to the Hungarian Government on the subject of dissolving Fascist organizations, and the letter was passed on for the Occupation Forces. As a consequence of the instructions having gone to the Hungarian Government in a unilateral manner; I have not been really in any position to judge how far there still remain or there have been any of these hostile organizations. In view of the fact that there is this article, I felt, and my Government felt, it should have been discussed, but we didn't discuss it and I should like to know from the General whether or not he considers it has been, or how far it has been fulfilled, although it is still included in the Peace Treaty.

That finishes, I think, all the articles, and I agree with General Sviridov with the way he summed up regards the articles which have not been completely fulfilled, that the Hungarian Government has tried and there have been no refusals, but as the General says, the Hungarian Government did not make any special effort in certain cases. Well that concludes the remarks that I wish to make, but I would like to ask General Sviridov this question with regard to Article 15. Could he say whether in his opinion up to date the Hungarian Government has dealt with all what are called Fascist and hostile organizations, or does the General still consider that there are some organizations of that sort. Perhaps the General would prefer to wait for General Weems in case General Weems has any questions, and then he could answer us both together.

*GENERAL SVIRIDOV:* Yes, thank you, General.

*GENERAL WEEMS:* The General would prefer that I make my comments now and answer both of us?

*GENERAL SVIRIDOV*: Yes, please, General.

*GENERAL WEEMS*: I have comments to make on five articles in the Armistice Agreement, namely, Article 1, Article 7, Article 8, Article 13 and Article 18. It is my view that the demobilization and the peacetime establishment of the Hungarian Army has not been supervised by the ACC. It is my view that the Soviet element has exercised unilateral supervision in this matter and has refused my repeated requests to visit Hungarian Army units, and I have so informed my Government.

In the case of Article 7, I have no information on the extent to which the Government and the High Command of Hungary have handed over to the Soviet High Command the German war materiel located on Hungarian territory. I should like to have from General Sviridov, the Acting Chairman, an estimate of this turnover and of the balance remaining, so that I may report the facts to my Government.

Article 8. It is my view that the Hungarian Government has failed to comply with this article in permitting the export and the expropriation of German assets without tripartite authorization of the Allied Control Commission. The right of the Soviet Union to such assets under the Potsdam Agreement is, of course, accepted, but lacking any directive from the German External Assets Commission in Berlin, which is the implement of the Potsdam Agreement, the Hungarian Government was in error in by-passing Article 8 of the Armistice Agreement. Assets to which American citizens have claims have thereby been transferred to the Soviet Union. The expressed attitude of General Sviridov with respect to returning American assets expropriated in error is appreciated, but meanwhile the assets claimed as American are in Soviet hands, a state of affairs which would not have existed had the Hungarian Government complied with Article 8.

Now going to Article 13. As in the case of Article 8, which I just mentioned, the Hungarian Government has failed to restore legal rights and interests of certain United States nationals, but has instead transferred to the Soviet Union certain properties claimed by American citizens before proper investigation of such claims was completed.

In the case of Article 18, it is the position of my Government that Article 18 of the Armistice Agreement has not been complied with in that representatives of the Allied, that is the Soviet High Command, have repeatedly taken unilateral action without the participation of the United Kingdom and the United States. Therefore, upon the instructions of my Government, I now hand to General Sviridov and to General Edgcumbe a letter which sets forth the reservations which my Government holds with respect to the actions taken by direction of the Soviet element of the ACC for Hungary during the Armistice regime<sup>478</sup>. I will not take the time to read this letter and have it translated because General Sviridov has a staff for translating it and General Edgcumbe has already been furnished with a copy of it and, of course, I have a file copy. The substance of the letter is in effect what I have mentioned on the subject of Article 18 of the Armistice.

*GENERAL SVIRIDOV*: Allow me to express my opinion. The first article of the Armistice Agreement: The Hungarians have not completed the formation of eight divisions. The conclusion of the war has actually prevented that. As a matter of fact,

<sup>478</sup> For the text of Weems's letter see, FRUS 1947, vol. IV, pp. 367-368. As regards Soviet unilateral actions, see also Appendix II.

they haven't even completed the formation of a second division because the war requirements were no longer existent. Actually the Hungarians, already in the process of forming these two divisions, have stopped their work and they have left themselves with so small an army that there was nothing to demobilize actually. They had an army of only 17,000 and now, of course, after doing away with unnecessary parts they now have an army of 12,000. As to what the Hungarian Army consisted of, General Weems and General Edgcumbe have been periodically and completely notified. The existence of not one soldier, one organization or one item of equipment was kept secret from either General Edgcumbe or General Weems. Hence it is not absolutely correct to conclude that the Hungarian Army remains a moot question or some dark matter that General Weems or General Edgcumbe do not know everything about. Furthermore, I should like to say that on many occasions in the past, both General Edgcumbe and General Weems have had the opportunity through the press, through correspondents and other sources, to check up on the conditions of the Hungarian Army, and I am sure if they have done so they have found the information I have furnished them has been correct and complete, and you will also in the future have the possibility to determine the state of the Hungarian Army. Without a doubt, I as Deputy Chairman of the Allied Control Commission am not to blame for the action of the Soviet Occupation Forces in not allowing General Edgcumbe and General Weems to inspect the Hungarian Army. But I should like to reiterate on my side that General Weems and General Edgcumbe are completely informed on the state and organization of the Hungarian Army.

The second question, the seventh article of the Armistice Agreement, that part which pertains to the handing over of all war equipment by the Hungarian Government to the Soviet Forces. I should like to inform you that no war materials whatsoever have been given by the Hungarians to the Soviet Forces. I do not count those articles which were taken from the enemy on the field of battle, but in so far as the handing over of cannon, artillery pieces, machine guns, and the like, I should like to repeat that nothing of that sort has been given by the Hungarian Government to the Soviet Forces. Certain articles, very small amounts of certain equipment, the Hungarians have themselves used in the formation of their two divisions, the First and the Sixth.

Article number eight. The actions of the Hungarian Government have been correct. This has been reflected in the Treaty of Peace in which it states that all German assets will be given over to the Soviet Union, and if the Hungarians began this turn-over sooner, they merely eased their own tasks for themselves. I should like to repeat that in any undertaking as large as this, mistakes will occur and recur, but I should like to point out that no one is going to deny the Americans any property which is shown to be theirs. I should like to say to General Weems at this point that to my great pleasure, such mistakes have been very few indeed. Perhaps they amounted to only one per cent of the entire amount of property turned over, and hereafter all claims will, of course, be carefully investigated and the results of the investigations will be acted upon accordingly. The claims, which have been put forth, are very few in number; there are just one or two or three. Since there are so few claims, we are assuming that the turning over of these properties has been very smooth and proper, and all legal claims will, of course, always be complied with. For this reason, we take the point of view that the Hungarian Government is complying but has not actually

complied with and is in the process of complying with the provisions set forth under Article 8. I agree with General Edgcumbe's point that under the provisions of Article 8 there have been many misunderstandings and differences of opinion, and I also agree that these points will be taken up hereafter and straightened out on a diplomatic level.

As far as Article 13 is concerned, I concur that the provisions of Article 13 have not been complied with, but so far as I know of the opinion of high Hungarian Government circles, they do intend to comply with the provisions of Article 13. Now the Peace Treaty is coming into effect, and I am of the opinion that the Hungarian Government will now begin to work on what was up to now the 13th Article of the Armistice Agreement and will now be the 26th Article of the Peace Treaty, and will do whatever it can to comply with it. General Edgcumbe expressed the desire to be informed about the dissolution of fascist and pro-fascist and hostile organizations that were dissolved in the summer of 1946 and also as to the present condition today in regard to such organizations. A number of these organizations, which were dissolved in 1946, continue to operate under a different name and under different leadership; for example, the organization known as Cherkas<sup>479</sup> (Boy Scouts). They continue to operate today under different leadership and also as a result of the purges within their own organizations they have strengthened their position. Therefore, you can not say that all these organizations are dead; after certain reorganization they arise again under a different name. Is there any reason to include the 15th article of the Armistice terms in the Peace Treaty? In my opinion, yes, there is every reason. For example, you can take an organization known as the "thoroughbred dog" which continues to exist as an underground movement. That is well known to everybody as a royalist or monarchist organization. And there are a number of various clubs which continue to operate underground which undermine Hungarian democracy and are directed against the Hungarian Republic. Therefore, the inclusion of the 15th Article in the terms of the Peace Treaty is quite correct.

*GENERAL EDGCUMBE:* Thank you.

*GENERAL SVIRIDOV:* The question of the 18th Article of the Armistice Agreement. In the opinion of General Weems, the provision of this article were not complied with. In regard to this, I am completely in accord with the opinion of General Edgcumbe, who said that under the Statutes of the ACC, the ACC functioned in accordance with the Statutes and did whatever the Statutes prescribed for them to do, as provided under Article 18 of the Armistice and the Statutes of the ACC, which were signed by the three powers.

*GENERAL EDGCUMBE:* I said that the Statutes were so worded as to not avoid disagreements.

*GENERAL SVIRIDOV:* The point is this. I should like General Weems to enumerate specifically which of the Statutes of the ACC have not been complied with. If the General could show that any of the Statutes of the ACC have been violated, that of course would be a serious charge because we have been functioning and living under the Statutes of the ACC, and the Statutes of the ACC have determined our actions and what our rights and prerogatives were. I do not understand the General's letter, specifically the point he makes in regard to the United States Government reserving

<sup>479</sup> Correctly, Cserkész.

the right to protest certain unilateral actions on the part of the Soviet Representation. I assume that General Weems knows that under the Statutes of the Allied Control Commission the Chairman of the Allied Control Commission is given the right to raise certain points of principle, and I have availed myself of this privilege on several occasions. That is all I have.

*GENERAL WEEMS:* My Government does not take the view that the Statutes of the ACC supersede the terms of the Armistice. The purpose of the Allied Control Commission as stated in the Statutes in the "exact fulfillment of the conditions of the Armistice." The Statutes do in no way authorize, under the terms of the Armistice, or under the terms of the Statutes, unilateral actions on principal questions. I recognize that this meeting will be brief and, therefore, I will not attempt to cite specific instances as alleged in my letter, but I must refer to the fact that I have furnished the American Legation in Budapest with a copy of this letter, and I can assure you that instances can be given to substantiate everything that has been said in my letter.

*GENERAL EDGCUMBE:* I have no further questions myself.

*GENERAL SVIRIDOV:* I shall study the letter of General Weems and the questions raised in this letter will be dealt with by the heads of our three respective governments.

*GENERAL EDGCUMBE:* I want to thank General Sviridov for having cleared a party of British coming from Germany to visit the Trade Fair in the record time of 24 hours, and they have arrived yesterday and I am grateful. I want to ask if the General can give me some advice as to the future. We have received information, and I have informed the General that tomorrow an airplane is coming from Vienna here. The airplane has been cleared, I understand, between the British and the Soviet authorities in Vienna. This is a special plane that will land tomorrow in the ordinary way, presumably on the airfield as usual. It has one or two passengers who have their ordinary passports and are coming just for a few hours visit here. May I take it that there will be no difficulties on the airfield and when leaving the airfield? I know that the field is still a Russian airfield. I write today to General Sviridov announcing this special flight and now there will be more flights, presumably landing on the same airfield. Tomorrow I can not write to the Deputy Chairman of the ACC, and I want to get clear what is the procedure. Is it through diplomatic channels, or who should be informed, in other words, of the airplane's arriving?

*GENERAL SVIRIDOV:* I will inform the meeting I have inquired and we know that during the course of the next 90 days the Soviet Army will leave Hungary, and those forces absolutely necessary for keeping open our communications will be left here. Therefore, during the 90 days, airdromes and airlines will be under the control of the Soviet Forces. We know that the forces remain in Austria, and, therefore, the British, Americans and Soviets will have control over the airlines through Austria. Therefore, the flights and transit through Hungary will pass through the hands of the Occupation Forces in Austria.

*GENERAL WEEMS:* Permission from the Occupation Forces in Austria is all we need to fly to Budapest, and from here to Vienna?

*GENERAL SVIRIDOV:* Furthermore, the entry into Hungary through the occupied zone and also the exit from Hungary into or through the occupied zone of Austria, will also be under the control of the Soviet Occupation Forces in Austria.

That is the same position as prevails in the British Zone in Austria and also the American Zone in Austria. The High Command in Austria has delegated to General Kondratov the work of assisting them up to the 25th of September on the issues of these permits.

*GENERAL WEEMS:* That is for individuals, not for planes?

*GENERAL SVIRIDOV:* Both for aircraft and individuals. Everything that goes through the zone of occupation in Austria. Therefore, kindly, until the 25th of September, apply to General Kondratov for all permission, all permits, to enter or leave Hungary through the occupied zone of Austria, and he will work together with the Soviet Occupation Forces in Austria on that particular matter.

*GENERAL WEEMS:* That is for planes and individuals?

*GENERAL SVIRIDOV:* Yes. We imagine or assume that after the 25th of September there will be a special representative of the Occupation Forces, and then General Kondratov will be relieved of that responsibility.

*GENERAL WEEMS:* May I make an observation at this point? I am attempting to get my small command out of Hungary as early as possible. Therefore, it will be necessary for our Mission plane to fly very frequently, three or four times a week, out to Vienna, Frankfurt and Bremen. People who are going back to the States go to Bremen; people going to Austria for duty go to Vienna; and people going to Germany for duty go to Frankfurt. I am shipping them out with my plane along with their baggage. I wish to advise General Kondratov, who will handle this question, that frequently I will not be able to give him more than twelve hours or twenty-four hours notice because we have to send them out as soon as we can.

*GENERAL SVIRIDOV:* I would like to tell General Weems that we shall try to facilitate this as much as we can.

*GENERAL WEEMS:* I wish to mention one more point. I regret that it became necessary for me to request of the Occupation Forces that they continue to guard our plane after the Peace comes into effect, but I have done that because I have not yet been able to make arrangements for the permanent location of our plane.

*GENERAL SVIRIDOV:* The Russian guard will remain at Mátyásföld and the Russian guard will remain as before.

*GENERAL EDGCUMBE:* I am very glad to hear that because I am hoping to take a journey in the American plane soon and I should be very sorry if anything happened to it.

As I was not aware exactly what is going to happen tomorrow, I have not written as yet to General Kondratov about this special flight, about the names of the people who are arriving. A distinguished friend of mine, Sir George Rendle, is coming to have lunch with me. Can I here now ask General Kondratov to be kind enough to allow these people when they arrive tomorrow on this special plane to leave the airfield for lunch with me and then leave again from the field in the afternoon. Col. Capron will be out at the airfield to greet them and can explain to your representative on the airfield exactly who they are.

*GENERAL SVIRIDOV:* I think that the whole thing will be carried out without any incident.

*GENERAL EDGCUMBE:* I am sorry, I would have written before but I didn't know what the procedure was. I thank General Kondratov in advance for his first excellent arrangements.

I have no further work. I would like, as the original member of the ACC, I would like to say a few short words if I may, with your permission, General. It is two and half years since the first meeting of the ACC, which took place in March 1945. The first meeting was under Marshal Voroshilov, and according to my calculations I have attended 51 meetings of the ACC. We all know that we have had our disagreements, which we have already referred to, but I want to thank General Sviridov and all his staff for the cordial manner in which our meetings have always been held. I also want to thank General Weems and his staff for the cordial manner in which they have always reacted at these meetings. I should like to say particularly how I appreciate the able manner in which General Sviridov has conducted these meetings. I would like also to mention General Levushkin, who is no longer with us, and to say that I appreciate the way in which he helped us in many ways over our maintenance and such things, and also to thank General Kondratov who carried on, and also General Belianov. I should like on this occasion also to mention Admiral Trainin, who always helped to make all our meetings very agreeable. I also wish to thank Colonel Ostrovsky, who has always helped to keep us cheerful and who has always smiled on all occasions, even when we have had to ask many questions about our air flights. I wish also very much to thank the officer who is presently engaged in writing down what I am saying. Colonel Cherkasov, for the able way in which he has helped further our meetings and our social gatherings, in translating all the many things we have had to say to one another, and the same remarks apply to Captain Potapov, who has been allowed to have a nice easy day sitting on the sofa behind; I am very grateful to him too. My thanks are also extended to Coloneli Grazhdanov and all the other officers of the Soviet staff for their cordiality. Now lastly, but not by any means least, I want to make reference to Marshal Voroshilov. I shall always consider it was a great privilege to have met Marshal Voroshilov, and I thoroughly enjoyed the meetings held under his chairmanship, as well as the many occasions when we met socially, and I hope that General Sviridov will convey a message of my best wishes to Marshal Voroshilov on the occasion of the dissolution, or whatever you would like to call it, of the ACC. I feel I should now like to raise my glass, but I think before doing so if Colonel Cherkasov will be kind enough to translate that.

*GENERAL SVIRIDOV:* Thank you, General. Thank you very much.

(General Edgcumbe proposed a toast that was drunk by all present.)

*GENERAL WEEMS:* May I make a few brief remarks? I want to state that I am always embarrassed because I have to follow my colleague, General Edgcumbe, who does things so well. In this case, I must say that I support him and his remarks on this, the closing day of the Allied Control Commission for Hungary, and I must say to my good friend, General Sviridov, and his staff, whom I have come to know quite well, that never have I enjoyed myself so well as I have at their social gatherings, and I regretted it very much on the last occasion when I was invited that I was ill. Now in closing and repeating somewhat the words of General Edgcumbe, although we have had our differences in our meetings, I must say that they have always been very friendly, very frank and very open, and the cordiality which I feel exists among

the three governments represented is largely attributable to the splendid manner in which General Sviridov has conducted the meetings. Never have I failed to receive an answer to any question raised. Not always have I agreed with the answer, but General Sviridov has given the answer in a most gentlemanly and hospitable manner. And now may I raise my glass to the good health of my colleagues, General Sviridov and General Edgcumbe, and the members of their respective staffs. (General Weems proposed a toast that was drunk by all present.)

*GENERAL SVIRIDOV:* Allow me to make a few statements. Allow me to announce that at 18.00 hours Moscow time all Peace Treaties were formally deposited. Hence at 18.00 hours Moscow time the Armistice signed with Hungary on the 20th of January 1945 will lose its force. I have been informed that at 18.00 hours Moscow time the Peace Treaty with Hungary comes into force. And I should like to announce to you that as of 18.00 hours Moscow time, 15 September 1947, the Allied Control Commission for Hungary as such ceases to exist, I should like to express from the bottom of my heart my gratitude to General Edgcumbe, the oldest veteran of the Allied Control Commission, to his chief of staff, to Colonel Whiteford, to Commodore Simpson, as well as to all the members of General Edgcumbe's staff, and also to General Weems and to his chief of staff, Colonel Stokes, and to all the members of General Weems' staff, my heartfelt gratitude. I should like to express my heartfelt gratitude for the mutual cooperation for these past two and a half years of the functioning of the Allied Control Commission. I should like also to point out that in my opinion the meetings of the Allied Control Commission have taken place under the most amicable and cordial conditions. This can be attributed first of all to the attitudes displayed by General Edgcumbe and Weems and by their respective staffs at these meetings. This can be attributed also to the fact that all the representatives to the Allied Control Commission were genuinely desirous of settling all questions and problems in the most amicable manner in taking up all questions raised. And I should also like to express my heartfelt appreciation of the manner in which our work here was carried on, and I should like to add the sincere and strong hope that our attitudes here, our friendly cooperation and friendly relationship, should serve as a stimulus to those who follow us and should, more important, serve as a stimulus to our governments and peoples so they in that manner could come to a true friendship as we have demonstrated here. And I should also like to express the wish that even after we leave here and go home to our respective countries that our relationship here will enable us in our intercourse with our countrymen to demonstrate and further the friendship that has existed between our respective governments and that I hope will continue to exist. This I for myself, as well as all the members of my staff, wish from the bottom of our hearts. I propose that we make a toast for the successful completion of the Allied Control Commission and for the successful completion of all the work we have handled here and for our friendship. (General Sviridov proposed a toast that was drunk by all present.)

*GENERAL EDGCUMBE:* I must clear myself to leave Hungary on Tuesday, the 23rd of September, because my Government are not prepared to let me sit here in Hungary. I would like to inform the General for his own information, and no doubt General Kondratov would like to know, that Colonel Colwill is staying here and he will probably be proposed as Military Attaché to the Hungarian authorities, and Colonel

Capron is going to stay here; Wing Commander Bisbee is going to take on the Air Attaché. They will become the remnants, the diplomats.

*GENERAL SVIRIDOV:* General Weems and I will probably leave somewhere towards the end of September.

*GENERAL WEEMS:* I am having considerable delay. I do not have a wife to pack my suitcase and that is a big problem for me.

*GENERAL SVIRIDOV:* But at least not before the 20th of September.

*GENERAL WEEMS:* No, I will not leave before the 20th, probably around the 23rd or 24th.

*GENERAL SVIRIDOV:* It seems as if we all at the same time will depart from Hungary. The first of October no one will remain.

*GENERAL WEEMS:* Let me propose a toast to the success and vigorous accomplishment of Hungary. May she survive well. (General Weems' toast was drunk by all present.)

*GENERAL EDGCUMBE:* Let me propose a toast. This is the last occasion when officers and staffs of the Soviet Union, the United States and British will have. My toast is this: Let us never forget that we three nations won the war together and let us determine that in spite of all arguments, discussions, and differences we shall somehow win the peace together. We won the war together; let us win the peace together. (General Edgcumbe's toast drunk by all present.)  
The meeting adjourned at 17.10 hours.

*711.9 Allied Control Commission, Record Group 84, Budapest Legation File, NA, Washington D.C.*

## APPENDICES

### A. Armistice Agreement with Hungary

*Signed at Moscow, 20th January, 1945*

The Provisional National Government of Hungary, recognising the fact of the defeat of Hungary in the war against the Soviet Union, the United Kingdom, the United States of America, and other United Nations, accepts the armistice terms presented by the Governments of the above-mentioned three powers, acting on behalf of all the United Nations which are in a state of war with Hungary.

On the basis of the foregoing the representative of the Allied (Soviet) High Command, Marshal of the Soviet Union K. E. Voroshilov, duly authorised thereto by the Governments of the Soviet Union, the United Kingdom, and the United States of America, acting on behalf of all the United Nations which are at war with Hungary, on the one hand and the representatives of the Provisional National Government of Hungary, Minister of Foreign Affairs M. Gyöngyösi János, Minister of Defence Colonel General Vörös János and State Secretary of the Cabinet of Ministers M. Balogh István, on the other, holding proper full powers, have signed the following conditions:

1. (a) Hungary has withdrawn from the war against the Union of Soviet Socialist Republics and other United Nations, including Czechoslovakia, has severed all relations with Germany and has declared war on Germany.

(b) The Government of Hungary undertakes to disarm German armed forces in Hungary and to hand them over as prisoners of war.

The Government of Hungary also undertakes to intern nationals of Germany.

(c) The Government of Hungary undertakes to maintain and make available such land, sea and air forces as may be specified for service under the general direction of the Allied (Soviet) High Command. In this connexion Hungary will provide not less than eight infantry divisions with corps troops. These forces must not be used on Allied territory except with the prior consent of the Allied Government concerned.

(d) On the conclusion of hostilities against Germany, the Hungarian armed forces must be demobilised and put on a peace footing under the supervision of the Allied Control Commission. (See Annex to Article 1.)

2. Hungary has accepted the obligation to evacuate all Hungarian troops and officials from the territory of Czechoslovakia, Yugoslavia, and Roumania occupied by her within the limits of the frontiers of Hungary existing on 31st December, 1937, and also to repeal all legislative and administrative provisions relating to the annexation or incorporation into Hungary of Czechoslovak, Yugoslav and Roumanian territory.

3. The Government and High Command of Hungary will ensure to the Soviet and other Allied forces facilities for free movement on Hungarian territory in any direction if, in the opinion of the Allied (Soviet) High Command, the military situation requires this, the Government and High Command of Hungary giving such movement every possible assistance with their own means of communication and at their own expense on land, on water and in the air. (See Annex to Article 3.)

4. The Government of Hungary will immediately release all Allied prisoners of war and internees. Pending further instructions the Government of Hungary will at

its own expense provide all Allied prisoners of war and internees, displaced persons and refugees, including nationals of Czechoslovakia and Yugoslavia, with adequate food, clothing, medical services, and sanitary and hygienic requirements, and also with means of transportation for the return of any such persons to their own country.

5. The Government of Hungary will immediately release, regardless of citizenship and nationality, all persons held in confinement in connexion with their activities in favour of the United Nations or because of their sympathies with the United Nations' cause or for racial or religious reasons, and will repeal all discriminatory legislation and disabilities arising therefrom.

The Government of Hungary will take all necessary measures to ensure that all displaced persons or refugees within the limits of Hungarian territory, including Jews and stateless persons, are accorded at least the same measure of protection and security as its own nations.

6. The Government of Hungary undertakes to return to the Soviet Union, and also to Czechoslovakia and Yugoslavia and to the other United Nations, by the dates specified by the Allied Control Commission, and in complete good order, all valuables and materials removed during the war to Hungary from United Nations' territory and belonging to state, public or co-operative organisations, enterprises, institutions or individual citizens, such as factory and works equipment, locomotives, rolling stock, tractors, motor vehicles, historic monuments, museum treasures and any other property.

7. The Government and High Command of Hungary undertake to hand over as booty into the hands of the Allied (Soviet) High Command all German war material located on Hungarian territory, including vessels of the fleet of Germany.

8. The Government and High Command of Hungary undertake not to permit, without the authorisation of the Allied Control Commission, the export or expropriation of any form of property (including valuables and currency) belonging to Germany or her nationals or to persons resident in German territory or in territories occupied by Germany. They will safeguard such property in the manner specified by the Allied Control Commission.

9. The Government and High Command of Hungary undertake to hand over to the Allied (Soviet) High Command all vessels belonging or having belonged to the United Nations which are located in Hungarian Danubian ports, no matter at whose disposal these vessels may be, for use during the period of the war against Germany by the Allied (Soviet) High Command in the general interests of the Allies, these vessels subsequently to be returned to their owners.

The Government of Hungary will bear full material responsibility for any damage or destruction of the afore-mentioned property until the moment of its transfer to the Allied (Soviet) High Command.

10. Hungarian merchant vessels, whether in Hungarian or foreign waters, shall be subject to the operational control of the Allied (Soviet) High Command for use in the general interests of the Allies.

11. The Government of Hungary will make regular payments in Hungarian currency and provide commodities (fuel, foodstuffs, etc.), facilities and services as may be required by the Allied (Soviet) High Command for the fulfillment of its functions as well as for the needs of missions and representatives of the Allied states connected with the Allied Control Commission.

The Government of Hungary will also assure, in case for need, the use and regulation of the work of industrial and transport enterprises, means of communication, power stations, enterprises and installations of public utility, stores of fuel and other material, in accordance with instructions issued during the armistice by the Allied (Soviet) High Command or the Allied Control Commission. (See Annex to Article 11.)

12. Losses caused to the Soviet Union, Czechoslovakia and Yugoslavia by military operations and by the occupation by Hungary of the territories of these states will be made good by Hungary to the Soviet Union, Czechoslovakia and Yugoslavia, but taking into consideration that Hungary has not only withdrawn from the war against the United Nations but has declared war against Germany, the parties agree that compensation for the indicated losses will be made by Hungary not in full but only in part; namely, to the amount of 300 million American dollars payable over six years in commodities (machine equipment, river craft, grain, livestock, etc.), the sum to be paid to the Soviet Union to amount to 200 million American dollars and the sum to be paid to Czechoslovakia and Yugoslavia to amount to 100 million American dollars.

Compensation will be paid by Hungary for loss and damage caused by the war to other Allied states and their nations, the amount of compensation to be fixed at a later date. (See Annex to Article 12.)

13. The Government of Hungary undertakes to restore all legal rights and interests of the United Nations and their nationals on Hungarian territory as they existed before the war and also to return their property in complete good order.

14. Hungary will co-operate in the apprehension and trial, as well as the surrender to the Governments concerned, of persons accused of war crimes.

15. The Government of Hungary undertakes to dissolve immediately all pro-Hitler or other fascist political, military, para-military and other organisations on Hungarian territory conducting propaganda hostile to the United Nations and not to tolerate the existence of such organisations in future.

16. The publication, introduction and distribution in Hungary of periodical or non-periodical literature, the presentation of theatrical performances or films, the operation of wireless stations, post, telegraph and telephone services will take place in agreement with the Allied (Soviet) High Command. (See Annex to Article 16.)

17. Hungarian civil administration will be restored in the whole area of Hungary separated by not less than 50-100 kilometres (depending upon conditions of terrain) from the front line, Hungarian administrative bodies undertaking to carry out, in the interests of the re-establishment of peace and security, instructions and orders of the Allied (Soviet) High Command or Allied Control Commission issued by them for the purpose of securing the execution of these armistice terms.

18. For the whole period of the armistice there will be established in Hungary an Allied Control Commission which will regulate and supervise the execution of the armistice terms under the chairmanship of the representative of the Allied (Soviet) High Command and with the participation of representatives of the United Kingdom and the United States.

During the period between the coming into force of the armistice and the conclusion of hostilities against Germany, the Allied Control Commission will be under the general direction of the Allied (Soviet) High Command. (See Annex to Article 18.)

19. The Vienna Arbitration Award of 2nd November, 1938 and the Vienna Award of 30th August, 1940, are hereby declared to be null and void.

20. The present terms come into force at the moment of their signing.

Done in Moscow, 20th January, 1945, in one copy which will be entrusted to the safekeeping of the Government of the Union of Soviet Socialist Republics, in the Russian, English and Hungarian languages, the Russian and English texts being authentic.

Certified copies of the present agreement, with annexes, will be transmitted by the Government of the Union of Soviet Socialist Republics to each of the other Governments on whose behalf the present agreement is being signed.

For the Governments of the Union of Soviet Socialist Republics, the United Kingdom and the United States of America: For the Provisional National Government of Hungary:

K. VOROSHILOV (L. S.)

GYÖNGYÖSI JÁNOS

VÖRÖS JÁNOS

BALOGH ISTVÁN (L. S.)

## ANNEX TO THE ARMISTICE AGREEMENT WITH HUNGARY SIGNED AT MOSCOW 20TH JANUARY, 1945

### A. - Annex to Article 1.

The Hungarian Military Command shall hand over to the Allied (Soviet) High Command within a period fixed by the latter all the information at its disposal regarding the German armed forces and the plans of the German Military Command for the development of military operations against the Union of Soviet Socialist Republics and the other United Nations, and also the charts and maps and all operational documents relating to the military operations of the German armed forces.

Measures provided for in Article 1 of the Agreement regarding the internment of nationals of Germany now in Hungarian territory do not apply to nationals of that country of Jewish origin.

### B. - Annex to Article 3.

The assistance specified in Article 3 of the Agreement shall be taken to mean that the Government and High Command of Hungary will place at the disposal of the Allied (Soviet) High Command, for use at its discretion during the armistice, in complete good order and with the personnel required for their maintenance, all Hungarian military, air and river fleet installations and buildings, ports, barracks, warehouses, airfields, means of communication and meteorological stations which might be required for military needs.

### C. - Annex to Article 11.

The Government of Hungary will withdraw and redeem within such time limits and on such terms as the Allied (Soviet) High Command may specify all holdings in



Hungarian territory of currencies issued by the Allied (Soviet) High Command, and will hand over currency so withdrawn free of cost to the Allied (Soviet) High Command.

The Government of Hungary will not permit the disposal of external Hungarian assets or the disposal of internal Hungarian assets to foreign governments or foreign nationals without the permission of the Allied (Soviet) High command or Allied Control Commission.

*D. - Annex to Article 12.*

The precise nomenclature and varieties of commodities to be delivered by Hungary to the Soviet Union, Czechoslovakia and Yugoslavia in accordance with Article 12 of the Agreement and also the more precise periods for making these deliveries each year shall be defined in special agreements between the respective governments. These deliveries will be calculated at 1938 prices with an increase of 15% for industrial equipment and 10% for other goods.

As the basis of calculation for payment of the indemnity foreseen in Article 12 of the Agreement, the American dollar is to be used at its gold parity on the day of signing of the agreement, i. e., 35 dollars to one ounce of gold.

In connexion with Article 12 it is understood that the Government of Hungary will immediately make available certain food and other supplies required for relief and rehabilitation of the population of those Czechoslovak and Yugoslav territories which have suffered as a result of Hungarian aggression. The quantities of the products to be delivered will be determined by agreement between the three Governments and will be considered as part of the reparation by Hungary for the loss and damages sustained by Czechoslovakia and Yugoslavia.

*E. - Annex to Article 16.*

The Government of Hungary will ensure that wireless communication, telegraphic and postal correspondence, and correspondence in cypher and by courier, as well as telephonic communication with foreign countries, of embassies, legations and consulates situated in Hungary will be conducted in the manner laid down by the Allied (Soviet) High Command.

*F. - Annex to Article 18.*

Control over the exact execution of the armistice terms will be entrusted to the Allied Control Commission to be established in conformity with Article 18 of the Armistice Agreement.

The Government of Hungary and its organs shall fulfil all instructions of the Allied Control Commission arising out of the armistice agreement.

The Allied Control Commission will set up special organs or sections, entrusting them respectively with the execution of various functions. In addition, the Allied Control Commission may have its officers in various parts of Hungary.

The Allied Control Commission will have its seat in the city of Budapest.

*Moscow, 10th January, 1945.*

## PROTOCOL TO THE ARMISTICE AGREEMENT WITH HUNGARY

In signing the Armistice Agreement with the Government of Hungary, the Allied Governments signatory thereto have agreed as follows:

1. The term "war material" used in Article 7 shall be deemed to include all material or equipment belonging to, used by, or intended for use by the military or para-military formations of the enemy or members thereof.

2. The use by the Allied (Soviet) High Command of Allied vessels handed over by the Government of Hungary in accordance with Article 9 of the Armistice Agreement and the date of their return to their owners will be the subject of discussion and settlement between the Government of the Soviet Union and the Allied Governments concerned.

Done in Moscow in three copies, each in the Russian and English languages, the Russian and English texts being authentic.

20th January, 1945.

By authority of the Government of the Union of Soviet Social- ist Republics V. DEKANOSOV (L. S.)	For the Government of the United States of America W. A. HARRIMAN (L. S.)	For the Government of the United Kingdom JOHN BALFOUR (L. S.)
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*B. Statutes of the Allied Control Commission in Hungary<sup>480</sup>*

1. The functions of the Allied Control Commission in Hungary shall consist of the regulation and control, for the period up to the conclusion of peace, over the exact fulfillment of the armistice terms set forth in the agreement concluded on January, 1945, between the governments of the Soviet Union, United Kingdom and the United States of America on the one hand and the Provisional Government of Hungary on the other.

2. The Allied Control Commission shall be headed by a Chairman who shall be the representative of the Soviet armed forces. Attached to him there shall be: a vice-chairman of the Commission; a political adviser; two assistants to the Chairman; a chief of staff of the Commission.

Representatives of the United Kingdom and the United States of America will be included in the composition of the Allied Control Commission.

The Allied Control Commission shall have its own seal.

The seat of the Allied Control Commission shall be Budapest.

3. The Allied Control Commission shall be composed of:

- a staff
- a political division
- an administrative division
- a military division

<sup>480</sup> The Statutes of the Allied Control Commission for Hungary for the first period of the armistice was sent to the American Ambassador in the Soviet Union Averel Harriman by V. M. Molotov on 20 January 1945. See FRUS, 1945 vol. IV, pp. 801-804.

- (e) an air force division
- (f) a river fleet division
- (g) an economic division

4. During the first period, i. e. from the moment of the entry into force of the armistice to the end of hostilities against Germany, the Chairman (or Vice-Chairman) shall call meetings and inform the British and American representatives of policy directives (i. e. directives involving matters of general principle) prior to the issuance of such directives to the Hungarian authorities in the name of the Commission, and also take note of such observations as the British or American representatives may desire to make.

5. During this first period, the representatives of the United Kingdom and the United States of America shall have the right:

- (a) to receive oral and written information from Soviet officials of the Commission on any matters connected with the fulfillment of the armistice agreement.
- (b) to put forward for the consideration of the Commission proposals of their governments on questions connected with the fulfillment of the armistice agreement.
- (c) to receive copies of all communications, reports and other documents which may interest the governments of the United Kingdom and the United States of America.
- (d) to make journeys to the provinces. For this purpose they shall apply to the Vice-Chairman regarding the arrangements to be made.
- (e) to participate in general conferences or meetings of the chiefs of divisions of the Commission.
- (f) to communicate through the Chairman of the Commission, the Vice-Chairman, or the chief of the appropriate division, with the organs of the Hungarian Government.
- (g) to determine the size and composition of their own delegations.
- (h) to communicate directly with their respective governments by cipher telegram and by diplomatic mail, for which purpose they shall have the right to receive and dispatch diplomatic couriers by air at regular intervals, by agreement with the Allied (Soviet) High Command.
- (i) to determine the amount of money required from the Hungarian Government for the expenses of their respective staffs and to obtain such funds through the Commission.

6. The Allied Control Commission shall have its representatives in the provinces, districts, ports, and at the most important enterprises for the organization of local control.

7. The Vice-Chairman and assistants to the Chairman of the Allied Control Commission and also the chiefs of divisions shall have the right, through the local military command, to call in specialist-officers for consultation, for making surveys or for working out special questions which arise during the work of the Allied Control Commission.

8. Liaison with the Hungarian Governmental authorities shall be effected by representatives of the Allied Control commission not lower than a chief of division of the Commission and in the provinces, districts and ports by the appropriate representatives of the Commission.

*C. Letter of Instructions to Major General William S. Key*

20 January 1945

Subject: letter of Instructions.

To:

Major General William S. Key, U. S. Army.

1. By direction of the President, you are designated as head of the United States Military Representation on the Allied Control Commission for Hungary, established under the provisions of Article XVIII of the Terms of Armistice for Hungary. You will proceed to the place in Hungary designated by the Chairman of the Allied Control Commission for Hungary as the seat of the Allied Control Commission for Hungary at the earliest possible time, reporting to the Chairman of the Commission in your capacity as head of the United States Delegation.

2. The task of the Allied Control Commission will be the regulation and supervision of the execution of the Armistice Terms with Hungary in accordance with the provisions of Article XVIII thereof. Your duties and responsibilities in this connection will be conducted in accordance with policies communicated to you from time to time by the Chief of Staff, acting in an executive capacity for the Joint Chiefs of Staff.

3. The composition of the United States representation on the Control Commission, in addition to yourself, will be two Army Officers in the grade of Colonel or Lieutenant Colonel (one of the two to be from the Army Air Forces), and one Naval Officer in the grade of Captain or Commander, who will be appointed by the War and Navy Departments.

4. You will work in close cooperation, by frequent consultation and interchange of information, with the United States Representative for Hungary. The United States policy in regard to Hungary will be enunciated by the State Department from time to time and will be communicated to the United States Representative. Your functions on the Allied Control Commission will be subject to the supervision of the United States Representative insofar as they concern political matters, as distinguished from those matters primarily military, affecting United States foreign policy.

5. Your mission will be under the direction of the Joint Chiefs of Staff, but will be attached to Headquarters, United States Army Forces in the Mediterranean Theater of Operations, for supply and administration, and the Commanding General, Mediterranean Theater of Operations, has authority to take final action on promotion of Army personnel on your recommendation.

6. You will correspond directly and frankly with the War Department in order that it may be kept as fully informed as possible, furnishing information copies to the Commanding General, United States Army Forces in the Mediterranean Theater of Operations, where appropriate. In cases requiring joint action by the War and Navy Departments you should communicate directly with the Joint Chiefs of Staff. You are also authorized direct correspondence with the Commanding General, U. S. Military Mission in the U. S. S. R., Moscow, with the Commanding General, Mediterranean Theater of Operations, with the U. S. Military Representatives on the Allied Control Commissions for Rumania and Bulgaria and with Military Attaches, or representatives in other countries of Europe, on matters concerning your mission, and with the Navy Department where naval interests are exclusively involved.

7. All U. S. Army and Navy activities and all OSS representatives in Hungary will be under your administrative control, if authorized by Commanding General, Mediterranean Theater of Operations. Such agencies will establish or maintain liaison with agencies of other nations only as authorized or directed by you. You will coordinate and generally supervise all activities of such agencies to the extent necessary.

8. You are authorized such assistants, in addition to the members of the Commission referred to in Paragraph 3, both officers, enlisted men and civilians, as may be necessary to accomplish your mission. Initially the Army Staff will consist of 12 officers, 1 warrant officer, and 32 enlisted men and the Naval Staff will consist of 1 officer and 3 enlisted ratings. You are also authorized to detail not more than 4 officers in the General Staff Corps. After finally determining your personnel requirements you will submit a request to the War Department for allocation of grades and ratings in accordance therewith. Subject to availability you may expand War Department Funds allocated to you as necessary and appropriate.

By direction of the Chief of Staff:

H. A. Craig  
Major General, GSC  
Acting Assistant Chief of Staff, OPD

Box 38, Record Group 338, ACC Hungary; NA, Washington, D.C.

*D. Political Directive for the British Mission to Hungary*<sup>481</sup>

1. The main purpose for your mission will be to ensure, in the closest collaboration with your Soviet and United States colleagues, that the terms of the armistice with Hungary are strictly carried out.

2. Special attention should be given to the strict observance of the Hungarian undertaking to withdraw their troops and officials from Czechoslovak, Yugoslav and Roumanian territories. These troops and officials must not be allowed to return to Czechoslovak, Yugoslav or Roumanian territory, except by agreement with the Governments concerned. This does not, of course, preclude the possibility of subsequent adjustments in regard to territory or population in the final peace settlement.

3. You should bear in mind that, as the ally of Czechoslovakia and Yugoslavia, His Majesty's Government are under an obligation to see that their territorial and political interests are safeguarded.

4. Soviet intentions in regard to Hungary are unknown to His Majesty's Government at this stage. The facts that the Red Army is in occupation and that Hungary has become a Soviet theatre of war mean that the Soviet Government must play the principal role in enforcing the armistice. We do not, however, desire to see Hungary fall under Soviet control and you should resist any attempt by the Soviet authorities to encroach unnecessarily on Hungarian sovereignty or independence.

5. In order to minimise the possibility of a clash of interests, it is essential that your mission should be on the best possible terms with the Soviet mission; it should give them every assistance in the task of enforcing the armistice and at the same time protect our own interests. This can only be done by adopting a policy of frankness with your Soviet colleagues. You should, from the outset, make it clear that whilst

<sup>481</sup> PRO FO 371/48487.

you will do everything possible to assist the Russians in enforcing the armistice, you are also there to protect British interests.

6. Although during the armistice period Soviet influence will probably be predominant, there can be no question of our abdicating our claim to have an equal share at the peace settlement and in the post-war period in all political questions affecting Hungary.

7. Apart from His Majesty's Government's interest in the enforcement of the armistice and the maintenance of complete Hungarian independence free from Soviet domination, there are British commercial interests in that country which must be protected and safeguarded. A detailed account of these interests is contained in a separate directive.

8. As regards Hungarian internal politics, it is too early to give definite instructions as to the measure of support to be given to any specific political party or personality. Much will clearly depend upon the Soviet attitude towards the present Government and regime.

9. While the Hungarian authorities will no doubt recognise the necessity for meeting the claims of our Czechoslovak and Yugoslav allies, they will probably show a strong disposition to oppose Roumanian claims on the ground that Roumania, like Hungary, has been an enemy of the United Nations. A note is accordingly attached for your guidance dealing with the specific question of Transylvania and more briefly, with the question of earlier Hungarian territorial acquisitions from our allies and also with the question of military occupation.

10. Our ultimate policy is to ensure an independent and friendly Hungary but it must always be remembered that Hungary is an enemy country which will have to work her passage home. Even if she engages in hostilities with Germany this will not, in our view, make her a co-belligerent and, still less, an ally. Social relations with Hungarians should be limited, though restrictions may be gradually relaxed according to circumstances.

11. You will collaborate with your colleagues in the apprehension and bringing to trial of such war criminals as may be notified to you or to the Control Commission. The Hungarian administration is to assist in this task.

12. You will report on the degree of censorship exercised under the armistice, in particular on the suppression of any local newspapers of standing.

13. You will report on the efficiency and reliability of the Hungarian administration where this has been handed back to the local authorities by the Soviet High Command.

14. If the Japanese Legation has not been closed down, you will endeavour to bring this about and take steps to arrange for the repatriation of Japanese officials and their families, wherever they may be located.

15. In collaboration with your colleagues you will require the Hungarian authorities to provide you with all the facilities which you need for the carrying out of your tasks, such as transportation, accommodation, fuel, currency, etc. These facilities are to be provided free of charge.

16. You will keep His Majesty's Government informed fully and frequently on progress and developments.

17. You, as head of the British element of the Control Commission, are responsible to the Secretary of State for War and all your communications will be addressed to the War Office. Communications concerning matters primarily of interest to the Ad-

miralty, Air Ministry or other Departments may, if desired, be addressed to the War Office expressly for the particular Department concerned.

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#### *E. American Draft of Statutes of the Allied Control Commission in Hungary*

1. The functions of the Allied Control Commission in Hungary shall consist of the regulation and control, for the period up to the conclusion of peace, over the exact fulfillment of the Armistice terms set forth in the Agreement concluded on the 20th January 1945 between the Governments of the Soviet Union, the United Kingdom and the United States, on the one hand, and the Provisional National Government of Hungary on the other.

2. The Allied Control Commission shall be headed by a Chairman who shall be a representative of the Soviet government and of the Soviet Military Command in Hungary. The Chiefs of the American and British Missions shall be Vice Chairmen of the Commission. The Chairman may also appoint a third Vice Chairman of the Commission and such political and military assistants as may be required, and a Chief of Staff of the Commission. Representatives of the United Kingdom and the United States will be included in the composition of the Control Commission and of each division thereof. The Allied Control Commission shall have its own seal and its headquarters shall be at Budapest.

3. The Allied Control Commission shall be composed of:

- (a) A staff.
- (b) A political division.
- (c) An administrative division.
- (d) A military division.
- (e) An air force division.
- (f) A river fleet division.
- (g) An economic division.

The staff will include officers of the armed forces of all three participating governments and will have a liaison section. The duties of the liaison section will include receipt from and transmission to the Hungarian Government of all communications, reports, directives, or other documents relating to the fulfillment of the Armistice terms.

4. The Chairman shall call meetings of the Commission at least twice each month and shall cause agenda, which will include proposals of any of the principal representatives of the three participating governments, to be prepared for such meetings and delivered to each of them at least two days in advance of the meeting for which prepared. In the absence of unanimous agreement of such principal representatives, only matters appearing on the agenda shall be considered at each meeting. Decisions of the Commission shall be made only upon the concurrence of the principal representative of each of the three participating governments.

5. Representatives of the Soviet Union, the United Kingdom and the United States shall have the right

- (a) To receive oral and written information from any official of the Commission on all matters connected with the fulfillment of the Armistice Agreement;
- (b) To receive promptly copies of all communications, reports and other documents which may interest their respective governments;

(c) To make journeys and move freely anywhere, and by any means of transportation, on Hungarian territory, with complete freedom of entrance from outside Hungary to any point within Hungary, and with complete freedom of exit from Hungary;

(d) To communicate with the Hungarian Government or any of its agencies, through the liaison section of the staff;

(e) To determine the size and composition of their own delegations;

(f) To communicate directly with their respective governments by cypher, telegram and by diplomatic mail, for which purpose they shall have the right to receive and dispatch diplomatic courier by air at regular intervals, upon notification to the Chairman;

(g) To determine the amount of money required from the Hungarian Government for the expenses of their respective staffs and to obtain such funds through the Commission;

(h) To transport personnel, mail and supplies to and from Hungary by airplane or by motor or other transportation, upon notification to the Chairman of the Allied Control Commission;

(i) To call in specialist officers or other experts for consultation, for making surveys or for working out special questions which arise during the work of the Allied Control Commission.

6. The Allied Control Commission shall have its representatives in the provinces, districts, ports and at the most important enterprises for the organization of local control.

711.9 Allied Control Commission, Record Group 84, Budapest Legation File, NA, Washington: H.C.

#### *F. Statute of the Allied Control Commission for Hungary<sup>482</sup>*

1. It is the function of the Allied Control Commission for Hungary to regulate and control, during the period before the conclusion of peace, the exact fulfillment of the conditions of the Armistice contained in the Agreement concluded on 20th January 1945 between the Governments of the Soviet Union, the United States and the United Kingdom on one side, and the Provisional Hungarian Government on the other.

2. The Allied Control Commission shall be headed by a Chairman who shall be the representative of the Soviet Armed Forces. Under him will be a Deputy Chairman; a Political Adviser; two Assistants to the Chairman; and a Chief of Headquarters of the Commission.

The staff of the Allied Control Commission will also include representatives of the United Kingdom and the United States of America.

The Allied Control Commission will have its own seal.

The place of residence of the Allied Control Commissions is the city of Budapest.

3. The staff of the Allied Control Commission will consist of:

- a. Headquarters.
- b. Political Department.

<sup>482</sup> The Statutes for the second period of the Armistice Terms was sent to General Key by Marshal K. E. Voroshilov on 14 August 1945, FRUS 1945, vol. iv, p. 844-847.

- c. Administrative Department.
- d. Military Department.
- e. Military Air Force Department.
- f. River Fleet Department.
- g. Economic Department.

4. During the period until peace is concluded with Hungary, the Chairman (or Deputy Chairman ACC), will regularly convoke conferences with the British and American representatives to discuss the most important questions concerning the work of ACC. These conferences will be held once each ten days, and in case of necessity even oftener.

The directives of ACC pertaining to the principal questions discussed will be given to the Hungarian authorities by the Chairman of ACC, after an agreement on these directives has been reached with the American and English representatives on the ACC.

5. The British and American representatives on the ACC will participate in the conferences of the heads of Departments, or delegates of ACC called together by the Chairman of ACC, which meetings will be held regularly; and they will also participate, personally or through their representatives, on proper occasions, in the mixed commissions established by the Chairman of ACC on questions relating to the fulfillment of the functions of ACC.

6. During this period the representatives of the United Kingdom and the United States will have the following rights:

a. To receive oral or written information from Soviet officials on the Commission on any question connected with the fulfillment of the Armistice Agreement.

b. To submit for the consideration of the Commission propositions of their governments on any question connected with the fulfillment of the Armistice Agreement.

c. To receive copies of all information, reports and other documents which may be of interest to the governments of the United Kingdom and the United States.

d. The British and American representatives are authorized free movement anywhere in the country; they should, however, inform ACC in advance of the time and route of the journeys.

e. To participate in the general conferences or meetings of the Chiefs of Departments of the Commission.

f. To communicate with the organs of the Hungarian Government through the Chairman of the Commission, the Deputy of the Chairman, or the Chief of the corresponding department.

g. To determine the number and personnel of their own Representations. All questions connected with permission for entrance to or departure from Hungary of members of the British and American Representations in Hungary, will be determined by the Chairman ACC on the spot, within not later than a week's time.

h. To have direct communications with their corresponding governments by means of code telegrams and diplomatic pouch. The delivery and dispatch of post, cargo and diplomatic couriers of the British and American Representations ACC by means of planes will be accomplished according to the order and terms established by ACC, and, in particular cases, according to preliminary agreement with the Chairman ACC.

i. To determine the sums needed from the Hungarian Government for the expenses for their suitable personnel, and receive such funds through the Commission.

7. For the organization of local control the Allied Control Commission has delegates of the Commission in the provinces, districts, ports and the most important undertakings.

8. The Deputy of the Chairman and the Assistants of the Chairman of the Allied Control Commission, as well as the Chiefs of departments, have the right to draw, through the local Military Command, specialist-officers for consultation, effecting the inspection or elaboration of special problems arising during the course of the work of the Allied Control Commission.

9. Liaison with the Hungarian government organs should be established by the representatives of the Allied control Commission not lower than through the Chief of department of the Commission, and the province, district and port, by the corresponding representatives of the Commission.

#### G. Meeting regarding repatriation of Hungarians<sup>483</sup>

Regional Military Government Team (Austria)  
PW and Displaced Persons Division  
APO 777 U. S. ARMY

#### Minutes of meeting regarding repatriation of Hungarians

##### I. Purpose

To develop a plan for the repatriation of Hungarians, both displaced persons and Surrendered personnel, presently in US and British Zones in Austria, in US British and French Zones of Germany, and in Italy.

##### II. List of Participants in Conference

USA		+
RANK	NAME	ORGANIZATION
Brigadier General	C. E. Saltzman	USACA
Colonel	H. G. Simmonite	ACC HUNGARY
Lt. Colonel	F. D. Stephens	USACA
Lt. Colonel	G. S. Kovach	ACC HUNGARY
Lt. Colonel	H. G. McPeely	USACA
Major	E. J. Czerniuk	ACC HUNGARY
Major	Galen Snow	USACA
Major	A. D. Spottswood	USACA
BRITISH		+
Brigadier	G. A. G. McNab	ACC HUNGARY
Brigadier	J. M. D. Wood	B. T. A.
Lt. Colonel	W. H. Corbett-Lowe	B. T. A.
Major	M. F. G. Ferguson	A. F. H. Q.
Major	P. C. Capron	B. M. HUNGARY
U. S. S. R.		+
Colonel	V. M. Smirnov	ACC HUNGARY
Lt. Colonel	N. V. Godunov	ACC HUNGARY
Lt.	T. Mishina	ACC HUNGARY

<sup>483</sup> The document is undated. The meeting was held in August 1945 in Salzburg.

HUNGARY		
RANK	NAME	ORGANIZATION
Min. Coun.	Mihály Farkas <sup>484</sup>	Min. of the Interior
Chief of Pol. Police	Péter Gábor <sup>485</sup>	Police
Lt. Colonel	Görgy Pálffy <sup>486</sup>	Min. of War
Major	Viktor Kruchina <sup>487</sup>	Min. of War
Clerk	Ereke Fabian	Min. of the Interior

### III. Tentative Plan

1. The plan outlined herewith is to be presented for approval of ACC Hungary, USFA, CDPX, USFET, BTA, and AFHQ. French Zone Austria, not represented, but USFA will undertake to coordinate their movements. As soon as approved and operating conditions are met, repatriation will commence.

2. Number of Hungarians to be repatriated under proposed plan, by categories plus any others in Areas concerned but not included in these figures:

a. US Zone Austria	89,000
Civilian--formerly in concentration camps	1,000
Civilian--other displaced persons	41,000
Military--surrendered personnel	36,000
Military--in German uniforms	11,000
b. US, British, French Zones, Germany	97,000
c. British Zone, Austria	30,000
d. French Zone, Austria	3,700
	219,700

3. Agreed by Hungarian Government representatives to accept up to 20,000 per week through two entry points, viz., Hegyesbalom and Szentgotthárd or Sopron if Szentgotthárd is not open. Camps for reception will be established and operating within 10 days of receiving approval of this plan at various points within 70 kilometers of the border, exact location to be announced later.

#### 4. Transportation

a. Hungarian Government has no transportation available, therefore, delivery must be made to camps concerned.

b. US Zone Austria agreed to make such delivery subject to clearance for passage and return intact of trains and necessary US or UK train guards, through the Russian Zone in Austria, and through Hungarian territory. Colonel Smirnov stated categorically that such clearance from any Zone would be given but made it clear that the repatriation movement could not commence until approval of the plan by ACC Hungary.

<sup>484</sup> Farkas, Mihály (1904-1965) Under-secretary of State in the Ministry of Internal Affairs from July 1945 to November 1945, Minister of Home Defence from November 1948 to July 1953.

<sup>485</sup> Péter, Gábor (1906-1993) Chief of the Political Police Force.

<sup>486</sup> Pálffy, György. See footnote 242.

<sup>487</sup> Kruchina, Viktor (1905-1978) army officer, Deputy Chief of Political Department of the Ministry of Home Defence.

c. British Zone Austria stated it could guarantee to deliver only to UK USSR Zone border in Austria, but will examine with AFHQ the question of delivery within the Hungarian border.

d. Colonel Smirnov will inquire of the USSR can furnish transport from border of UK Zone to Hungarian destination.

e. USACA will obtain information from CDPX USFET regarding transport of Hungarians in Germany.

#### 5. Priority of return

a. Sick and Crippled.

b. Hungarians forced to leave Hungary by the Germans.

c. Complete families, regardless of military position of members.

d. Enlisted men in Hungarian Armed Forces, plus necessary accompanying Officers.

e. Officers in Hungarian Armed Forces.

f. Members of Hungarian Gendarmerie.

g. Hungarian members of SS.

Note: The Hungarian Government Representatives stated their Government was unwilling to accept return of Schwabians (Volksdeutscher) but USACA made clear that its directives required such return and that no exceptions of Schwabians could be considered.

#### 6. Repatriation Procedure

a. Agreed that since the numbers in priorities a (b) above would be very small and the persons scattered, the main movement would not be help up thereby.

b. Agreed that sick and crippled would be sent in ordinary trains under care Hungarian medical personnel now being repatriated.

c. Agreed that no person would be sent without medical examination and certificate that he or she was free from any dangerous communicable disease. Agreed that all repatriates would be dusted prior to departure.

d. Agreed that repatriation would be based on nominal rolls prepared by shipping authorities and there would be no rejects.

e. Food for estimated time of journey, plus one day will be provided by shipping authorities.

#### 7. Repatriation Mission

a. Agreed that a small Hungarian Mission of 5 members, including two liaison officers could be sent to US Zone, Austria, to facilitate repatriation and inspect camps of Hungarians at Linz and Salzburg, and towns on the main road between, but that there would be no general inspection throughout the zone. One of the liaison officers could be sent to the British Zone, Austria, if necessary.

b. Agreed the above mentioned Mission could contact the self-appointed National Hungarian Committees in Linz and Salzburg.

8. *Hungarian War Criminals*

a. Referring to the arrest and retention of Hungarian War Criminals in Austria, which question was raised by the Hungarian Government Representatives, the USFA representatives present stated that this conference was not competent to deal with the matter.

9. *Special Request by USSR Representatives*

a. In British and US Zones in Austria, numbers of Hungarian POW's or surrendered personnel in following categories.

1. Officers (including general officers by name)
2. Non-commissioned officers.
3. Enlisted men.

b. In British and US Zones, Austria, numbers of Hungarian

1. Women
2. Children under 14
3. Schwabians

It was agreed to furnish this information to the USACC Hungary as accurately as possible, it being understood that to compile it would take some little time.

*F. D. Stephens*

Lt. Col., M. I.

711.9 Allied Control Commission, Record Group 84, Budapest Legation File; NA, Washington D.C.

H. *Donald F. Bigelow's*<sup>488</sup> *Telegram Concerning the Soviet Misuse of the Allied Control Commission for Hungary*

Rec'd June 30, 1947

8:03 a.m.

FROM: Budapest  
TO: Secretary of State  
NO: 1111, June 28, 4 p.m.  
US URGENT

Following instances Soviet misuse ACC, ETC submitted in compliance DEPTTEL 625 June 11. Unless otherwise specified dates in parentheses refer to meetings of ACC.

- One. Soviet acquisition of properties prior to proof of American and British interests and retention thereof subsequent of proof (USREPTTEL 2920 May 6, 1945, August 15, 1946 December 6, 1946, February 10, 1947, March 4, 1947, May 20, 1947).
- Two. Additional demands for factories, machinery and commodities as reparations made by Soviets in name of ACC without consulting American and British representatives (USREPTTEL May 19, 1945)
- Three. Unilateral Soviet closing of Budapest stock exchange (LEGTEL 62, May 24, 1947)

<sup>488</sup> Donald F. Bigelow, Consul of the United States Legation in Hungary.

- Four. Failure to provide American and British representatives with copies of ACC directives prior to issuance (DEPTTEL 57 May 28, 1945).
- Five. Unilateral imposition Soviet version of ACC statutes (August 22, 1945).
- Six. Unilateral Soviet authorization to Hungarian Government to resume or open diplomatic relations with other countries (Sweden September 6, 1945; Italy Bulgaria Rumania and Spanish Government in exile July 24, 1945, October 13, 1945; Austria January 17, 1947, February 10, 1947)
- Seven. Instructions issued to Hungarian Government on size of Hungarian army without consulting American and British representatives (November 15, 1945).
- Eight. Failure to provide information on and investigation of serious Hungarian economic situation as requested by American and British representatives (April 23, 1946).
- Nine. Denial by Sviridov, despite letter by Voroshilov in name of ACC dated September 14, 1945 of fact that any instructions had been issued in name of ACC concerning transfer of German assets to Soviets (April 23, 1946).
- Ten. Soviet refusal to instruct Hungarian Government to take census of railroad rolling stock as requested December 28, 1945 by American and British representatives (April 23, 1946).
- Eleven. Soviet denial of free movement in Hungary to American and British representatives (April 23, 1946, December 23, 1946, January 17, 1947, March 4, 1947).
- Twelve. Soviet demand for certain American and British representatives to vacate homes to avoid incidents with Soviet Army (April 23, 1946)
- Thirteen. Soviet demand to cease publication of British information bulletin (April 23, 1946).
- Fourteen. Soviet unilateral order to MTH chief Ortutay to censor speeches and press articles (April 23, 1946)
- Fifteen. Soviet refusals of clearance permits to American and British military officers, businessmen, representatives of welfare organizations and private individuals without reasons being given (May 20, 1946, June 19, 1946, August 15, 1946, September 30, 1946, October 13, 1946, December 23, 1946)
- Sixteen. Soviet refusal to grant clearance for shipment of 250 tons of Goods made by National Catholic Welfare Association (May 20, 1946).
- Seventeen. Unilateral Soviet demand of action by Hungarian Government against certain individuals, youth organizations and Catholic clergy on charge government violation Article 16 Armistice (July 15, 1946, July 24, 1946, August 15, 1946, and LEGTEL 1279 July 10, 1946 and despatch 1699, July 10, 1946).
- Eighteen. Prime Minister's letter to ACC concerning costs of ACC now shown other representatives (August 30, 1946).
- Nineteen. Soviet denial to American and British representatives right to discuss commencement of MASZOVLET flights (August 30, 1946, November 12, 1946)
- Twenty. Soviet unilateral authorization of Freedom Party (October 13, 1946).
- Twenty-one. Soviet attempt to channel Hungarian Government correspondence to US Legation through ACC channels (October 17, 1946).
- Twenty-two. Soviet occupation of Vacuum Oil Co. Storage plants in violation of armistice (October 17, 1946 and, February 10, 1947).

- Twenty-three. Soviet refusal to request Hungarian Government to provide American and British representatives with list of German firms in Hungary (November 12, 1946)
- Twenty-four. Control by Soviet occupational forces of Hungarian Owned MAORT Oil Co. (November 12, 1946)
- Twenty-five. Soviet demand to discontinue USIS bulletin (November 12, 1946, December 6, 1946)
- Twenty-six. Soviet refusal to inform American and British representatives on Hungarian shipping (December 23, 1946).
- Twenty-seven. Soviet unilateral confiscation and suppression of publication of Ciano's diary (March 4, 1947).
- Twenty-eight. Soviet refusal to direct Hungarian Government to supply each representative with copies of all communications to ACC (March 20, 1947).
- Twenty-nine. Unilateral Soviet approval of MASZOVLET aviation agreements (April 16, 1947).
- Thirty. Soviet denial to US and British of equal rights to negotiate aviation agreements (April 16, 1947, May 20, 1947).
- Thirty-one. Soviet denial to American representative of right to inspect Hungarian army units (June 18, 1947).
- Repeated London as 107.  
Dept please repeat to Moscow as 122.

Note: Relayed to Moscow 6/30/47, 1 p.m. CSB.

740. 00119 Control (Hungary) / 6-2847 Record Group 59: NA, Washington D.C.

Bigelow

## SELECT BIOGRAPHY

- Arany, Bálint** (1901-1987). Engineer, worked for the Swedish SKF Roller-Bearing Co Ltd. Before WW2 he joined the *Hungarian Community*, a right-wing, nationalist clandestine organization. He joined the Independent Smallholders' Party in 1945. In 1946 he was arrested on charges of participating in an anti-republic conspiracy. He was sentenced to 12 years imprisonment in 1947, but was released in September 1956. His prison sentence was declared null and void in 1989. (He was rehabilitated in 1989.)
- Balla, Antal** (1886-1953). Journalist, historian, politician. He joined the Independent Smallholders' Party in 1931. From 4 November 1945 he became representative of the Provisional National Assembly. Between 15 November 1945 and 20 November 1946 he was Minister of Information first in Zoltán Tildy's then in Ferenc Nagy's Government.
- Balogh István** (1894-1976). Catholic priest, politician. He was ordained in 1918 and was a parish priest between 1933 and 1946 at Szeged-alsóközpon. He became member of the Independent Smallholders' Party in November 1944. From 23 December 1944 until the beginning of June 1947 he was a political secretary of state at the Prime Minister's Office. Between February and June 1947 he was secretary general of the Independent Smallholders' Party, then quit and established the oppositional Independent Hungarian Democratic Party. He received mandate at the General Elections in 1947. In 1951 and 1952 he was displaced from Budapest by the authorities. From 1962 until his death he was the parish priest at St Michael's church in Budapest.
- Bárános, Károly** (1892-1956). Agricultural expert, civil servant. He joined the Civil Service in 1934 and became an administrative secretary of state at the Ministry of Agriculture in 1941. From 15 November 1945 until 20 November 1946 he served as Minister of Public Supply. He joined the Independent Smallholders' Party in 1946. He was Member of Parliament in 1947-48.
- Bartha, Albert** (1877-1960). Army officer, politician. Between 9 November and 12 December 1918 he was Minister of War in the Károlyi Government. Once Admiral Horthy assumed power, he was expelled from the Armed Forces. In the inter-war period he was one of the leaders of the liberal National Kossuth Party. He joined the Independent Smallholders' Party in 1945. Between 21 August 1946 and 14 March 1947 he was yet again appointed Minister of National Defence. He left Hungary in 1948 and settled down in the United States in 1951.
- Dálnoki Veress, Lajos** (1889-1976). Army officer, Major General. In the autumn of 1944 he was the commander-in-chief of the Second Hungarian Army. Prior to the fascist coup of 15 October 1944, he was empowered by Miklós Horthy, the Regent of Hungary, to act as "homo regius" and overtake the running of the country. This, however, never happened as the Germans arrested and detained him. In 1945 he escaped from German captivity. Shortly after his return the Soviet authorities interned him. Then in 1946 he had to take compulsory retirement. In connection with the anti-republic conspiracy, he was arrested on 16 January 1947 and was sentenced for 15 years. He was released in October 1956, left Hungary and settled down in Great Britain.



**Donáth, György** (1904–1947). Civil servant, politician. Between 1939 and 1944 he was Member of Parliament, from 1943 he was Vice-President of the Hungarian Life Party. In 1939 he joined the clandestine nationalist organisation called Hungarian Community. In connection with the anti-republic conspiracy, he was arrested in December 1946 and was sentenced to death by the People's Court. He was not pardoned thus he was executed on 23 October 1947. The verdict was made null and void in 1989.

**Eröss, János** (1889–1962). Lawyer, politician. He was a barrister at Nyíregyháza from 1924. As a friend of Endre Bajcsy-Zsilinszky, they together joined the Independent Smallholders' Party in 1936. He was a representative at the Provisional National Assembly from 4 November 1945. He was the president of the Office of Reparations and, between 20 November 1946 and 24 September 1947, Minister of Public Supply. He left the country in 1948 and subsequently settled down in the United States.

**Gascoigne, Alvary D. F.** (1893–1970). British diplomat. He first became member of the diplomatic corps in 1919. First Secretary at the British Legation in Budapest between 1936 and 1939. From 1939 until 1944 Consul General in Spain and Morocco. From February 1945 until June 1946 Minister Plenipotentiary and Extraordinary in Hungary. Between 1946 and 1951 British Political Representative in Japan and from 1951 until 1953 British Ambassador in Moscow.

**Gyöngyösi, János** (1893–1951). Journalist, politician. From 1931 he was member of the Independent Smallholders' Party. From 4 November 1945 he was a representative of the Provisional National Assembly. From 22 December 1944 until 31 May 1947 he was Minister of Foreign Affairs first in the Provisional National Assembly then in Zoltán Tildy's and Ferenc Nagy's governments. He signed the Paris Peace Treaty on behalf of the Hungarian Government on 10 February 1947. From August 1947 until his death he was the chairman of the Bank Centre. He was secretary general of the Independent Smallholders' Party from 12 September 1947.

**Helm, Alexander Knox** (1893–1964). British diplomat. Joined the Foreign Office in 1912. Counsellor in Washington and Ankara from 1939 until 1946. Political Representative in Hungary 1946–1947. Minister to Israel 1949–1951, Ambassador to Turkey 1951–1952.

**Jaczkó Pál** (1916–1999). Politician. He joined the Independent Smallholders' Party in 1945. He was Lord Lieutenant of Győr-Ménfőcsanak-Sopron County in 1943. From 4 November 1945 he was a representative of the National Assembly. He worked at the National Headquarters of the Independent Smallholders' Party. In January 1947 he was arrested on false charges in the so-called anti-republic conspiracy and in 1948 he was sentenced to 5 years forced labour. He was released in March 1956. In November 1956 he left the country and settled down in Switzerland.

**Key, William Shaffer** (1897–1959). Oil industry expert, army officer, General and head of the American Military Mission to Hungary between 1944 and 1946.

**Kovács, Béla** (1908–1959). Politician. He joined the Independent Smallholders' Party in 1933 and was secretary general of the party from 1945. From 23 December 1944 he was political secretary of state of the Ministry of the Interior, from 15 November 1945 until 23 February 1946 Minister of Agriculture. From 4 November

1945 he was a representative of the National Assembly. In February 1947 he was arrested by the soviet authorities on false charges and, in absence of a legal procedure, he was sentenced by a Moscow court to 25 years of imprisonment in 1952. On 8 November 1955 he was handed over to the Hungarian authorities but was released only at the beginning of April 1956. During the Revolution, from 30 October 1956, he was a member of the executive committee of the Independent Smallholders' Party, and from 2 November the chairman of the party. From 27 October 1956 he was Minister of Agriculture and Minister of State in the Imre Nagy Government. From 1958 until his death he yet again was member of parliament.

**Kövágó, József** (1913–1996). Staff engineer, politician. He served in the Armed Forces from 1935. He participated in the military resistance movement after the Szálasi coup, as a result he was under arrest for a brief period of time. In 1945 he joined the Independent Smallholders' Party. From 4 November 1945 he was member of the National Assembly. Between 14 December 1945 and 5 June 1947 he was Lord Mayor of Budapest. He was arrested on false charges in 1950 and sentenced to life imprisonment. He was released in September 1956. After having participated in the Hungarian Revolution, he and his family fled the country in November 1956, then settled down in the United States.

**Mester, Miklós** (1906–1989). Historian, under-secretary of state. Between 1939 and 1944 he was Member of Parliament. Although during the German occupation of the country in 1944 he was under-secretary for religious and public education, he collaborated with the members of the liberal underground movement and helped save the victims of the Holocaust. Subsequent to the Arrow-Cross [fascist] coup of 15 October 1944, he went to illegality. Between 1951 and 1953 he was displaced from Budapest for being a class alien. After his release he worked for publishing companies. He retired in 1966.

**Millók, Sándor** (1877–1959). Civil servant, politician. He joined the Social Democratic Party in 1917. He was secretary of the Railway Workers' Association. In 1920 he emigrated to Vienna and returned in 1924. Between 1931 and 1944 he was member of the Budapest Municipal Board. From 1941 until 1944 he was editor-in-chief of Népszava. In April 1944 he was arrested by the Gestapo and taken to Mauthausen. Between 1945 and 1946 he was under-secretary at the Prime Minister's Office and Commissioner of Repatriation. In 1948 he was expelled from the Social Democratic Party because he opposed the merge of the Social Democrats and the Communists.

**Mindszenty, József** (1892–1975). Prince Primate of Hungary. He was ordained in 1915. From 1919 he was parish priest at Zalaegerszeg, from 1944 Bishop of Veszprém. At the end of November 1944 he was arrested and imprisoned by the Arrow-Crossmen. He was released in March 1945. On 16 September Pope Pius XII appointed him archbishop of Esztergom and from 1946 cardinal. On 26 December 1948 the authorities arrested him. On false charges, the People's Court sentenced him for life imprisonment in 1949. He was freed on 31 October 1956. Due to the Russian invasion, on 4 November he sought refuge at the American Embassy where he lived until 1971 when he was allowed to leave the country and settled down in Vienna.

**Molnár, Erik** (1894–1966). Historian, politician. He started practising as a lawyer in Kecskemét in 1924. In 1929 he joined the illegal Communist movement. Between 1945 and 1956 he was member of the Central Committee of the Communist Party of Hungary then the Hungarian Workers' Party. Between December 1944 and August 1948 he served as Minister of Public Welfare, Communications then Foreign Affairs. In 1948 and 1949 he was Hungarian Ambassador to Moscow. Between July 1950 and July 1953 he was first Minister of Justice and, yet again, Minister for Foreign Affairs. Between 1953 and 1954 he was the President of the Supreme Court. Between October 1954 and October 1956 he again served as Minister of Justice. Between 1949 and his death he was Director of the Institute of History of the Hungarian Academy of Sciences, university lecturer, academician.

**Nagy, Ferenc** (1903–1979). Politician. From its inception in 1930, he was secretary general of the Independent Smallholders' Party. He became member of parliament in 1939. He was in the captivity of the Gestapo in 1944. After the war in 1945 he was elected President of the Independent Smallholders' Party and held various important government posts, and became an MP. Between May and November 1945 he was Minister of Reconstruction, then from 29 November 1945 President of the National Assembly. From 4 February until 2 June 1947 he was Prime Minister of Hungary. He was on holiday in Switzerland when on 2 June 1947 the Hungarian Communist Party forced him to resign. He later settled down in the United States.

**Papp, Simon** (1886–1970). Geologist, university professor. He was the chief geologist then president of the Hungarian-American Oil Co Ltd from 1938. In 1948 at the time of the nationalisation of the oil industry, he was arrested on false charges. In 1949 he was sentenced to life imprisonment. He was released on 4 June 1955 and rehabilitated in 1960. Before his retirement in 1962 he was again able to work in the oil industry.

**Rákosi, Mátyás** (1892–1971). Politician. He joined the KMP in 1918. He was Commissioner then commander of the Red Guard in the 1919 Hungarian Soviet Republic. After the demise of the Soviet Republic, he emigrated to Vienna then to Moscow where he worked for the Comintern. Upon his illegal return to Hungary in 1924, he was arrested and sentenced to life imprisonment; he was in prison for 16 years. He was allowed to leave for the Soviet Union in 1940 where he took over the leadership of the Hungarian Communist émigrés. He returned to Hungary on 30 January 1945. Between 1945 and 1956 he was the secretary general and member of the Hungarian Communist Party then of the Hungarian Workers' Party. From 1945 he was also representative in the Provisional National Assembly and later became an MP. Between 1945 and 1950 he was state minister and deputy minister. Between 19 August 1952 and 4 July 1953 he served as Prime Minister. On the initiative of the Soviet Politburo he was relieved of his duties in July 1956, after which he had lived in the Soviet Union until he died.

**Révai, József** (1895–1959). Politician. He was one of the founding members of the Hungarian Communist Party. After the collapse of the Hungarian Soviet Republic, he emigrated to Austria in 1919. In 1930 he returned to Hungary in order to carry out illegal party work when he was arrested and sentenced for 3.5 years in prison. From 1934 he worked for the Comintern in Moscow. At the beginning

of November 1944 he returned to Hungary. From 1945 he was the leading party ideologue. Between 1944 and 1956 he was member of the Central Committee of the Hungarian CP then that of the HWP. Between 1945 and 1953 and July–October 1956 he was member of the Politburo. In 1950 and 1951 he was the deputy secretary general of the Hungarian Workers' Party. Between 1945 and 1950 he was editor-in-chief of *Szabad Nép*. Between July 1949 and July 1953 he was Minister of Education. On 31 October 1956 he fled to Moscow and returned only in April 1957. He was member of the Hungarian Socialist Workers' Party between 1957 and 1959.

**Schoenfeld, H. E. Arthur** (1889–1952). Diplomat. He started his diplomatic career in 1917. He served in various posts in Central and South America and Europe. He was Ambassador in Finland from 1937 until 1944. From January 1945 he became the US Political Representative and, from December 1945, the US Ambassador in Budapest. He retired on 1 August 1947.

**Shvoy, Lajos** (1879–1968). Roman Catholic bishop. He was ordained in 1901. He was Bishop of Székesfehérvár between 1927 and 1968.

**Sólyom László** (1908–1950). Army officer, Lieutenant General. He became an officer in 1931. He left the army in 1939. He joined the illegal Communist Party in 1942. In 1944 he participated in the resistance movement and was on the Party's military committee. In 1945 he was chief of the Budapest Police. Between 1946 and 1949 he was head of department then chief of staff. He was arrested on false charges in 1950 and on 17 September he was executed. The verdict was declared null and void by the Supreme Court in 1990.

**Sulyok, Dezső** (1897–1965). Lawyer, politician. In 1935 he became an MP but it was only in 1937 when he joined the Independent Smallholders' Party. From 1 September 1945 until 9 August 1947 he was the president of the Bank Centre. From 4 November 1945 he was a representative on the National Assembly. On 12 March 1946 he was expelled from the party as a result of his anti-coalition attitude. A few days later he established the oppositional Hungarian Freedom Party. In June 1947 he dissolved his party and a month later he and his family left the country. They settled down in the United States.

**Sviridov, Vladimir Petrovich** (1897–1963). Soviet army officer, general. He served in the Red Army from 1919 and fought in the Russian civil war. He joined the Soviet Communist Party in 1926. During the Second World War he was army commander. From the summer of 1945 until September 1947 he was deputy chairman of the Allied Control Commission for Hungary. Between 1949 and 1954 he was the commander of the Middle Army Group of the Soviet Army stationed in Hungary.

**Szálasi, Ferenc** (1897–1946). Army officer, extreme right-wing politician. He became a lieutenant in 1915 and retired in 1935. Between 1935 and 1937 he was the leader of the Party of National Volition. Between 1938 and 1940 he was in prison. Subsequent to his release he took over the leadership of the Arrow-Cross Party. Backed by the Germans, he seized power on 15 October 1944. Between 16 October 1944 and 28 March 1945 he was Hungary's Prime Minister in his capacity as the Leader of the Nation. On 1 March 1946 the People's Court sentenced him to death and was subsequently executed.

**Tildy, Zoltán** (1889–1961). Calvinist Reformed pastor, politician. From its inception in 1930, he was executive vice-president of the Independent Smallholders' Party.

From 1936 until 1944 he was member of parliament. During WW2 he was one of the leaders of the independence and anti-nazi resistance movement. On 20 August 1945 he was elected Party Leader of the Independent Smallholders' Party. From 4 November 1945 he was member of the National Assembly. From 15 November 1945 until 1 February 1946 he was Prime Minister. On 1 February 1946 the National Assembly elected him President of the Republic. On 3 August 1948 he was forced to resign under the pretext of his son-in-law's alleged spying activities. From August 1948 until May 1956 he was under house arrest. From 27 October until 4 November 1956 he was Minister of State in the Imre Nagy Government. He was arrested in 1957 and sentenced to six years of imprisonment. He was released in 1959. He was rehabilitated posthumously in 1989.

**Tombor, Jenő** (1880–1946). Army officer, journalist. In 1920 he was expelled from the Armed Forces for having been the operational section head in the People's Commissariat of Defence during the Hungarian Soviet Republic. In the 1930s he was a military expert writing for oppositional papers. He belonged to Endre Bajcsy-Zsilinszky's circle. In WW2 he participated in the independence and anti-nazi resistance movement. From 4 November 1945 he was a Smallholder representative in the National Assembly. From 15 November 1945 until 25 July 1946 he was Minister of National Defence.

**Vas, Zoltán** (1903–1983). Politician. He joined the Communist Party at the time of the Hungarian Soviet Republic. He was first arrested in 1921 but the following year he was allowed to go to the Soviet Union as part of a POW exchange. He returned to carry out illegal party work in 1925 but he was again arrested and imprisoned where he spent nearly 16 years. Together with Mátyás Rákosi, he was allowed to travel to the Soviet Union in 1940. Among the émigré Communists, he was the first to return to Hungary on 10 October 1944. In 1945 he became Lord Mayor of Budapest. Between 1946 and 1949 he was the secretary of the Supreme Economic Council, then he was the president of the National Planning Office until 1952. Between 1945 and 1956 he was member of the Central Committee of the Communist Party then of the Hungarian Workers' Party. During the 1956 Revolution he was the Commissioner of Public Supply in Imre Nagy's Government. On 22 November 1956 he was interned in Romania. He was allowed to return in 1958.

**Voroshilov, Kliment Efremovich** (1881–1969). Army officer, Marshal of the Soviet Union. He participated in the 1917 October Revolution in Russia then in the ensuing civil war. Between 1934 and 1940 he was Peoples' Commissar for National Defence. He was deputy chairman of the Council of Peoples' Commissars between 1940–1953, then deputy chairman of the Council of Ministers from 1946. Between February 1945 and September 1947 he was Chairman of the Allied Control Commission for Hungary. Between 1953 and 1960 he was the President of the Supreme Presidential Council of the Soviet Union.

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