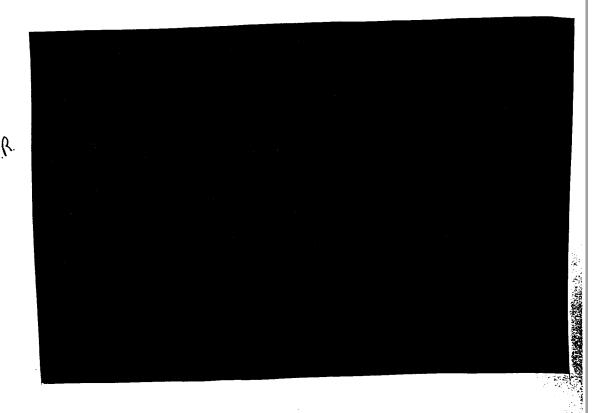
CURRENT INTELLIGENCE WEEKLY REVIEW

8 November 1956



THE SITUATION IN HUNGARY

Although armed patriots continue to resist the Soviet attack in Budapest and in at least three areas in the provinces, the internal Hungarian situation is under Soviet control.after more than two weeks of bloody revolutionary activity. Soviet forces and their collaborators in the new selfstyled national Communist Workers and Peasants Revolutionary Government of Premier Janos Kadar are in at least military control of the country and are seeking to restore civil and economic order as quickly as possible.

Hourly appeals over most of the nation's radio stations reveal the size of the economic task confronting the regime; foodstuffs, medicines and other staples are in short supply, transportation is at a virtual standstill and most industrial plants, if in operation at all, are working with skeleton labor forces. The regime's political prospects appear no more promising; the mood of the population, bitter or despairing in defeat, will long plague the regime's efforts to put the country back on its feet.

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Page 6 of 8

PART I

OF IMMEDIATE INTEREST

CURRENT INTELLIGENCE WEEKLY REVIEW

8 November 1956

Kadar's Problems

Despite its hailing of much of the earlier revolution as a brilliant success, despite its tribute to those who fell in battle, and despite the insistence that Hungary is still a free and sovereign state, the Kadar regime is impotent without Soviet army backing. It thus finds itself in the position of defending a breed of national Communism and Hungarian independence which came into existence only by virtue of Soviet tanks.

The longer the armed resistance continues and the more the Soviets resort to atrocities and slaughter, the more difficult Kadar's task will be; whatever Kadar's actual goals and initial motivation, he has acted as a Soviet agent and will be powerless to act in any other role for some time.

Since 1 November, when the Hungarian Workers (Communist) Party renamed itself the Socialist Workers Party and chose a new ruling presidium headed by Kadar, there have been no official announcements from the party. The status of its leadership, its organization and its activities -- particularly since the Soviet attack on 4 November -- has : been obscure. It now appears to be shorn of much of its left--Rakosi and Gero--and fighting its extreme right -- Nagy and his supporters. It consists, at the center, of the compromised national Communist leaders, opportunists and whatever Russophile elements and security police remain.

Local party organizations in the provinces and districts and in the factories had joined the uprising and, to a remarkably

large extent, had appeared willing to go along with the Nagy government and Hungarian neutralism; many may now return to the fold, but others will certainly remain aloof or in opposition.

The bulk of the national Communists, who may have formed a majority of the party prior to the uprising, probably viewed with fear the growing victory of non-Communists in the revolutionary regime. But their reaction to the Soviet attack on 4 November may have been even more intense. For the immediate future, the party can probably count on the active and loyal services of no more than half of its prerevolution membership and it will probably be several years before an efficient functioning Communist Party, with a disciplined cadre and a potent leadership, will again rule in Hungary.

Nevertheless, whatever the level of his present support within the Communist Party, Kadar can probably count on more than any other Sovietsupported leader; the national Communists have no other standard-bearer of equal stature acceptable to the USSR.

Long-range Soviet policy toward Hungary apparently is based on the hope that Kadar and his regime will be able to institute a workable policy similar to that espoused by Gomulka in Poland-as Kadar has already promised. Although his promises, including one to have representation in the government from "other parties" and nonparty interests, could amount to little more than a strategem to restore order, it

CURRENT INTELLIGENCE WEEKLY REVIEW

8 November 1956

appears probable that the new Hungarian regime, with Soviet support, will actually attempt to carry out such a program.

Soviet Moves

The Soviet decision to attack was probably taken at least by 31 October, when it had become clear the new Hungarian regime would in time renounce Communism and its close ties with the USSR. Hungary, if left to its own devices, would have achieved a status not unlike that of Austria; officially neutral, but unofficially hostile toward the Kast and sympathetic toward the West.

In the few short days of Hungarian freedom, the political situation throughout the country passed from Communist domination to regional independence to resistance to the Nagy coalition government in Budapest to co-operation with it on a provisional basis, and, just before the end, to the beginnings of a democratic revival.

The renewed Soviet attack came without formal warning,

but on the night of 2 November the Soviet troop movements within the country and reinforcements crossing into Hungary had indicated some form of Soviet move was imminent. The Nagy regime the previous day had sounded the alarm to the United Nations, but, almost simultaneously, the USSR had entered into negotiations with the Nagy regime for the withdrawal of all Soviet forces in the country.

On the morning of the 4th, when Soviet units attacked Budapest and other cities, the Soviet generals who were talking to the two Hungarian representatives -- Defense Minister Pal Maleter, an insurgent hero; and Chief of Staff Kovacs--abandoned the pretense and arrested the conferees. By about 0800 on the same morning, Soviet troops captured the parliament building in downtown Budapest and arrested its occupants, Premier Nagy and several of his ministers. Nagy had had time only to announce the attack over Radio Budapest at 0515 and to make his last urgent call for Western military assistance.