THE HUNGARIAN REVOLUTION OF 1989: PERSPECTIVES AND PROSPECTS FOR KÖZÖTTEUROPA

by

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June 1991

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1a. REPORT SECURITY CLASSIFICATION
Unclassified

1b. RESTRICTIVE MARKINGS

2a. SECURITY CLASSIFICATION AUTHORITY

2b. DECLASSIFICATION/DOWNGRADE SCHEDULE

3. DISTRIBUTION/AVAILABILITY OF REPORT
Approved for public release; distribution is unlimited.

4. PERFORMING ORGANIZATION REPORT NUMBER(S)

5. MONITORING ORGANIZATION REPORT NUMBER(S)

6a. NAME OF PERFORMING ORGANIZATION
Naval Postgraduate School

6b. OFFICE SYMBOL
(If applicable)
65

7a. NAME OF MONITORING ORGANIZATION
Naval Postgraduate School

7b. ADDRESS (City, State, and ZIP Code)
Monterey, CA 93943-5000

8a. NAME OF FUNDING/SPONSORING ORGANIZATION

8b. OFFICE SYMBOL
(If applicable)

9. PROCUREMENT INSTRUMENT IDENTIFICATION NUMBER

10. SOURCE OF FUNDING NUMBERS
Program Element No. | Project No. | Task No. | Work Unit Accession No.

11. TITLE (Include Security Classification)
The Hungarian Revolution of 1989: Perspectives and Prospects for Közötteuropa

12. PERSONAL AUTHOR(S)
Ricky L. Keeling, Capt, USAF

13a. TYPE OF REPORT
Master's Thesis

13b. TIME COVERED
From To
1991 June 20

14. DATE OF REPORT (year, month, day)
1991 June 20

15. PAGE COUNT
81

16. SUPPLEMENTARY NOTATION
The views expressed in this thesis are those of the author and do not reflect the official policy or position of the Department of Defense or the U.S. Government.

17. COSATI CODES

18. SUBJECT TERMS (continue on reverse if necessary and identify by block number)
This paper discusses the "Hungarian" experience and the prospects for a "Central European" Union ("Közötteuropa" or "Mitteleuropa")

19. ABSTRACT (continue on reverse if necessary and identify by block number)
The concept of Közötteuropa (Central Europe) is becoming much more prevalent in literature. This paper will deal with the experience of the Hungarian people, how that experience will impact on the idea of Közötteuropa, and what the prospects for a political entity in the Danubian Basin based on the Közötteuropa concept are. The paper focuses on Hungary as the key link, and possibly strongest member, of such a union. The paper will discuss Hungarian history, Hungary's relationship with the superpowers and its neighbors, both past and present, and will propose some policies for the government of the United States to help improve our relations with this small, but important piece of Central Europe.

20. DISTRIBUTION/AVAILABILITY OF ABSTRACT

21. ABSTRACT SECURITY CLASSIFICATION
Unclassified

22a. NAME OF RESPONSIBLE INDIVIDUAL
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22b. TELEPHONE (Include Area code)
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22c. OFFICE SYMBOL
Code 038

DD FORM 1473, 84 MAR 83 APR edition may be used until exhausted
All other editions are obsolete

SECURITY CLASSIFICATION OF THIS PAGE
Unclassified
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The Hungarian Revolution of 1989: Perspectives and Prospects for Közölteuropa

by

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Submitted in partial fulfillment of the requirements for the degree of MASTER OF ARTS IN NATIONAL SECURITY AFFAIRS from the NAVAL POSTGRADUATE SCHOOL June 1991

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I. INTRODUCTION & BACKGROUND

A. OVERVIEW

"In 1918 the Austro-Hungarian Empire, one of the greatest political entities of Europe for several centuries, collapsed. It ranked as the second largest European country in size and the third largest in population. Like many European countries, it was the outgrowth of a long and complex history..." ¹

In 1918 the European security system underwent a fundamental change. The Austro-Hungarian Empire, one of the "Great Powers" disintegrated. A power vacuum existed in central Europe until the rise of Nazi Germany. Once the allies defeated Germany, the vacuum was filled by the Union of Soviet Socialist Republics. In fact, a unique situation arose in which Europe was divided into two hostile camps. This ahistorical situation is now coming to an end. The question which then arises is: "What shall replace the existing security system in Central Europe?"

One of the possible answers to this question is a Közéteuropa (Central Europe). This concept involves the evolution of at least a regional economic order, with the potential of a political union, in the upper Danubian Basin. The countries involved include specifically Czechoslovakia, Austria, and Hungary, with the potential involvement of Croatia and Slovenia if Yugoslavia were to break up, and also, the possible involvement of Italy. It should be noted that the countries which are or may be involved in this concept were all part of the Austro-Hungarian Empire. A regional power bloc in the Danubian Basin is a "natural" phenomenon and the last 70 years have represented a historical anomaly.

This particular study will focus on the experience of the Hungarian people and will attempt to describe their road to reform and the implications of their experiences and how those experiences relate to the possible development of Közötteuropa. This first chapter will present a short background history to place the events in context. Chapter II will trace the political aspects of the revolution from the fall of Kádár to the election of Antall. Chapter III deals with the historical relationship of Hungary with the major powers, including the United States, the Soviet Union, and its current and projected relationship with NATO. Chapter IV will look at the prospects for Hungarian neutrality including the history of the neutrality movement. Chapter V explores the concept of közötteuropa and the role Hungary plays in this increasingly likely outcome in Central European affairs. The final chapter will conclude the study with some thoughts on where Hungary is headed in world affairs and possible U.S. strategies and policies to assist in developing a friendly and profitable relationship with this fascinating country.

B. A SHORT HISTORY OF THE HUNGARIAN NATION

From the earliest known history of the Hungarian nation, the Hungarians have looked westward. The Magyar tribes were originally a loose confederation with a very simple political structure. It was not until just before entering the Carpathian Basin that they elected a chief. Only after their defeat by the Germans in the Battle of Lechfeld (10 August 955) did the Magyars begin to settle down and look to the West for something other than loot.

On Christmas Day in the year A.D. 1000, St. Istvan (Stephen) I, King of Hungary, established Roman Catholicism in Hungary. This cemented the ties of Hungary with
Western Europe. From this time onward Hungary would consider itself the eastern bulwark of Western Europe. This concept has not died out, even today.

The Mongol invasion of Europe in the 12th century hit Hungary particularly hard. Still underpopulated from this incident, and suffering from internal political squabbles, Hungary was conquered by the Ottoman Empire in 1526. For the next century and a half, Hungary was divided into three parts: the Hapsburgs ruled the northern area, the Ottomans dominated the southern area, and Transylvania maintained a precarious autonomy.

Hungary’s bonds to the West were tightened when Austria liberated Hungary from the Ottoman Empire in 1699 after over 170 years of Turkish domination. In 1697 the Diet of Hungary had fixed the succession of the Hungarian throne to the male line of the Hapsburgs. Hungary remained a key part of what became the Austro-Hungarian Empire for over 200 years.

1. The Austro-Hungarian Empire

"While other European powers were looking overseas and were engaged in colonial policies, the Austro-Hungarian Empire was beset with internal problems due to the national aspirations of its various ethnic groups."²

a. The 1848 Revolution

The revolutions of 1848 were sparked in Paris, but the winds of political turmoil swept across Europe with the speed and destructive power of a hurricane. When the news reached Hungary of the overthrow of the French monarch, a journalist turned

²Ibid.
political agitator, Lájos Kossuth, led the Hungarian Diet in what amounted to a declaration of independence.

Hungary rose against Vienna on March 15, 1848. The Austrian government reacted with a snail's pace. Istvan Deak indicates in his book on the 1848 Revolution that this was due to a lack of consensus on what action they should take. "The events of March 16-17 had shown clearly that the highest governing circles were not united in their Hungarian policy." It appeared that the "roof was about to collapse on the monarchy." The Czechs followed the Hungarians in early April. Both groups won concessions granting some degree of local autonomy.

These concessions were, however, shortlived. An Austrian Army marched on Prague after putting down the revolution in Italy, destroying the fledgling democratic movement in Bohemia. The same army was defeated by a Hungarian Army when it attempted to march on Budapest; but, the new Emperor, Francis Joseph, sought and obtained help from the Russian Tsar who marched into Hungary with 140,000 troops and destroyed the Hungarian forces. Hungary and Bohemia were once more reduced to subject states.

b. The Compromise of 1866

The events of 1866 were the direct result of the revolution of 1848 and the intervening years. By 1860 it became apparent to Francis Joseph that he was not going to be able to hold the empire together by military strength alone. Popular discontent and the loss of a war in 1859 proved that to him; so, in 1860 he issued a decree establishing a

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4Ibid, 78.
constitutional government. Although the wealthy upper class dominated the new
government, the constitution did, in article 19, state: "all nationalities enjoy equal rights,
and each of them has the inviolable right to the maintenance and cultivation of its
nationality and language. Equality of rights for all local languages in schools,
administration, and public life is guaranteed by the state." This concession did little to
assuage the minorities, especially the Magyars and the Czechs because of the continued
rise of nationalism among the different nationalities.

In 1866, after years of struggle with Prussia over the control of Germany,
open warfare erupted between Prussia and Austria. Within seven weeks Prussia decisively
defeated Austria at the Battle of Königsgrätz (July 3, 1866), and the relationship of the
Austrian Throne with its subject peoples was fundamentally changed.

The direct result of the loss of the Austro-Prussian War of 1866 was the
Compromise. In 1866, after their defeat, Austria and Hungary concluded an agreement
known as the Ausgleich to the Austrians (Kiegyezés to the Hungarians). The "Compromise"
fundamentally changed the relationship of Hungary to the Austrian Empire, in effect
making it a dual monarchy. The emperor, Franz Joseph, was crowned King of Hungary
with the Crown of St. Stephen and Hungary and Austria became separate political entities
joined through the person of the emperor. The countries continued to share foreign
policies and the imperial army, but domestic policies were now separate. The Compromise
established Hungary as an independent country within the Empire joined to the Empire
through the person of the King of Hungary, who was also the Austrian Emperor.

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The Compromise was of great economic benefit. It established a situation in which an effective customs union could be instituted, allowing free movement of labor and capital. The efficiency gained from the increased local autonomy also alleviated some major problems in the agricultural and industrial sectors. However, the nationalities problem remained.


2. The First World War and the Fall of the Hapsburgs

Austria stumbled into the First World War. Often blamed for starting the war, the more appropriate appellation would be to blame them for not better averting it.
Emperor Franz Joseph was 84 years old when the war began and lived only to November 21, 1916. For the last two years of his reign he was unable to provide any direction to the Empire, leaving the war to the military and the running of the state to the politicians.

A sense of anomy set in among the populace; a depression which could not be overcome by the new emperor, Karl I. By the end of the war Karl was forced to abdicate ("from what?" he proclaimed in a note with his formal abdication). His abdication spelled the formal dissolution of the Austro-Hungarian Empire.

3. The Inter-War Years

Hungary fought World War I as a member of the Austro-Hungarian Empire. Most of its battles were fought against the Russians rather than the western allies; however, with the collapse of Imperial Germany came a much greater collapse in the Austro-Hungarian Empire and the punitive peace imposed on a dismembered entity.

Prior to the signing of the peace treaty, a socialist democratic government was established in Hungary. This government fell to the communists on 20 June 1919 when The Allied Commission rejected Hungary’s request for reestablishment of its natural boundaries. The communist government lasted only 133 days, falling to a combined allied intervention by Czechoslovak and Romanian troops and a right-wing counter-movement led by Admiral Miklós Horthy.

Hungary’s foreign policy under Horthy was designed to regain, peacefully if possible, some of the territory lost (especially large areas in Transylvania—see Figure 2) under the Treaty of Trianon (1921). Horthy attempted to achieve this through maintaining

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a "balance" between the powers of Europe; neutrality in a sense. As it became obvious that the allies were either in no position to assist Hungary, or had no inclination to assist her, Hungary turned to other means.

The rise of fascism in Italy gave Hungary her first push towards the Rome-Berlin axis. Mussolini signed a treaty of friendship with the Hungarian government on April 5, 1927. The depression of the late 1920's and early 30's and the rise of Hitler in Germany vaulted Hungary into the ranks of the revisionist powers.
In 1938 and 1939, as Nazi Germany took Austria and Czechoslovakia, Hungary regained some lost territory. While the allies viewed Hungary as a part of the unrest in East-central Europe, Hungary hoped to be able to form some kind of alliance that would resist German domination of the area. Hungary saw Ruthenia as particularly important in this regard because it gave Hungary a common border with Poland and the two countries hoped to be able to resist German imperialism in Eastern Europe.\(^7\)

On September 1, 1939 when the German armies rolled into Poland, Hungary remained neutral. The Munich Agreement and the slowness of France and Great Britain in reacting to the German aggression convinced the Hungarians that discretion was the better part of valor. Hungary did offer succor to scores of Polish refugees (much to the chagrin of the German \textit{fuhrer}).

The continuation of the war and Germany's apparent invincibility made Hungary's neutral position more and more tenuous. Hitler finally gave them Transylvania and after this (the Second Vienna Award) Hungary was no longer able to withstand German pressure.

4. World War II

In April 1941, Hungary, though neutral, allowed German transit of Hungarian territory to carry out their attack on Yugoslavia and, finally, on June 27, 1941 Hungary declared war on the U.S.S.R. and Great Britain; the final vestiges of her neutral status crumbling before the tide of revision which swept Europe in the wake of the inept post-World War I treaties. After the initiation of Operation Barbarossa, Hungary was forced to commit an army to the field. That army, the Hungarian First Army, was destroyed by the Russian counterattack at Stalingrad. The Hungarians fielded the Second and Third Hungarian Armies, but they were poorly equipped and trained and could do little against the Soviet steamroller.  

In September, Horthy sent a delegation to Moscow to begin negotiations on an armistice. On 14 October 1944, he ordered the Hungarian Army to open negotiations with the Red Army for the cessation of hostilities. The Germans discovered his action and on the night of 15-16 October, the Germans imprisoned Admiral Horthy and forced him to abdicate as regent. Ferenc Szálasi, the head of the Hungarian Arrow Cross (Nazi) Party, immediately filling his position as head of the government.  

5. Illusions

The Second World War devastated Hungary. The siege of Budapest lasted seven weeks. Not a bridge was left standing. Thousands of people were dead from either the fighting or starvation or were shipped off to Soviet labor camps.

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After the war many Hungarians looked to the West, to the United States in particular, for assistance in establishing a liberal democratic government. The U.S. recognized and established diplomatic relations with the provisional government on 2 November 1945. The western allies quickly realized that their protests to the Allied Control Commission against Soviet excesses were being ignored. This resulted in fewer and fewer protests being lodged and a gradual awareness on the part of the Hungarians that they had to prepare for the worst.

The first (and only until 1990) free elections were held on November 7th, 1945. The communists polled only 17 percent of the electorate. The Hungarians hoped this result would spur western support but the Soviet chairman of the Allied Control Commission in Hungary, Marshal Voroshilov, made it clear that the Soviets would only tolerate a coalition government which included the Communist Party.

The communists began a slow but ruthless undermining campaign against the majority parties. Led by Mátyás Rákosi and Imre Nagy, the communists were able to bring about the collapse of the Smallholders' Party, then the largest party in Hungary, and they succeeded in radicalizing the other parties. By the summer of 1948 the communists had succeeded in placing themselves as the sole political power in Hungary. By this time most of the western diplomats had resigned in protest of the Soviet interference in internal Hungarian affairs and of the illegal actions of the Hungarian Communist Party.

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11Ibid, 173.
6. The Revolution of 1956

Two events led to the Uprising of 1956. First was the withdrawal of Soviet troops from Austria and the signing of the Austrian State Treaty on 15 May 1955. Hungary immediately became envious of this special status and saw this as a valid alternative for themselves. Second was the denunciation of the recently deceased Stalin by Khrushchev at the Twentieth Party Congress of the CPSU on 24 and 25 February 1956. This speech, combined with near simultaneous release of thousands of political prisoners in labor camps in the Soviet Union, many of whom were Hungarians who eventually found their way home, destroyed what little popular acceptance there was for the Soviet-backed regime in Budapest and sent Hungarian-Soviet relations plummeting.

The result was a change in leadership brought about by popular demand and an attempt to withdraw from the Warsaw Pact. In November, 1955, Rákosi had thrown Nagy (a reform communist) out of the Party. For a year Nagy had sought reinstatement. Scared by the events in East Germany in early 1956, and the riots in Poland in early October, the Soviets finally pressured Rákosi into allowing Nagy back into the Party, hoping to prevent such an occurrence in Hungary. Since this act did not totally subdue the grumbling of the Hungarian masses, on 17 October Rákosi was removed and replaced by Gerő.

However, on the day before, university students had begun moving toward an open break with the Party. Thousands resigned from the communist youth organization. By the 20th of October all Soviet troops were on alert and three days later elements of a Soviet tank division began to move on Budapest. That same day crowds in

\[12\text{Péter Gosztonyi, "Magyar Semlegesség" [Hungarian Neutrality], Magyar Nemzet, June 15th, 1989.}\]
the Budapest streets begin calling for the removal of Géör, the installation of Nagy as head of government and the removal of all Soviet troops from Hungary.

At about 9:00 PM on 23 October the first shots rang out against the crowds then surrounding the Radio Building. The fight for national liberation was on. Fighting continued through the night with mounting casualties. The Soviets were quickly embroiled in the fighting, and the Hungarians had apparently learned the lessons on Partisan warfare well.19 Fighting continued until 29 October when a cease-fire was finally agreed to. Soviets troops ostensibly began to leave the country and the Hungarians felt that victory had been achieved. Nagy had taken over the government and was reorganizing the communist state.

Then things began to fall apart and Nagy lost control. First and foremost was the announcement that the Communist Party was to give up exclusive power and that opposition parties were forming. Editorials concerning the neutrality of Austria and its application to Hungary began to appear. Within three days the Soviets reneged on their proclamation of October 30 and in the early hours of November 2 Soviet troops began to move on Budapest in force. On November 4th they began their assault on Budapest. Nagy sought refuge in the Yugoslav Embassy (where he remained for 22 days) until he was enticed out to be abducted, flown to the USSR, and eventually tried, convicted and executed for his part in the events in Hungary.

Some 200,000 Hungarians fled to the West, 32,000 were killed, and untold thousands were imprisoned or returned to Soviet prison camps. As many as 2,000 more people were executed. Hungarian-Soviet relations reached their nadir.

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7. "Goulash Communism"

On 4 November 1956, Radio Szolnok announced the formation of a Revolutionary Workers' and Peasants' Party which, with the help of the Soviet Army, replaced the government of Imre Nagy. Thus, János Kádár rode the coattails of a foreign invader to become Hungary's chief of state. Kádár initially faced much opposition, but his moderate line and crackdown on party members who attempted violent reprisals against those who participated in the uprising gained grudging respect. His conciliatory slogan, "Those who are not against us are with us" began to reunite the party and the people.

In 1968 Kádár began his version of perestroika by implementing the "New Economic Mechanism" (Új Gazdasagi Mechanizmus). This was promoted by a young former social democrat by the name of Rezső Nyers and came to be known as "Goulash Communism". The NEM introduced some elements of a market economy with semi-decentralized planning and placed a premium on managerial skills and productivity. In fact, Kádár stated:

"Every worker must know...that living standards are related to production; one has more to distribute...and consume only when there increased production to show for work. Every decent person knows that more money for lower achievement is abnormal."14

8. The Politics of Revolution

Since that announcement, free and open elections have resulted in the removal of the socialist/communist elements from power in Hungary. The elections, held on March 25 and April 8, 1990, brought to power a center-right party similar to the German Christian

Democratic Union (CDU). The new party is committed to Hungarian withdrawal from the Warsaw Pact and a renewal of Hungarian nationalism.\textsuperscript{15} This change will result in a near 180-degree turn around in Hungarian foreign and domestic policies and should have significant repercussions on the Central European situation.

\textit{a. The First Step}

The first move to reform began in May 1988 when the reformers within the HSWP began to make their bid for power. Originally, an agreement was reached in which some reforms would be implemented and some reformers placed in key positions, but leaving the original power structure in place. It quickly became apparent that the reformers had much more momentum built up than originally believed. Reformers took control of the Party, Kádár was ousted from his post as General Secretary, and Károly Grosz was elected to the post. One official described this event as "an earthquake."\textsuperscript{16} The takeover was graphically illustrated in the newspaper \textit{Magyar Nemzet} by a drawing of a man wielding a scythe in a windswept field. In the "purge", seven of 13 politburo members were toppled and 36 reformers were elected to the Central Committee.

Reformers elected to the ruling politburo included Rezső Nyers, the father of NEM, and the radical HSWP member Imre Pozsgay. The new accessions combined with the purges dropped the average age of the politburo from near 70 to 53.


The changes in leadership coincided with drastic social changes. Discussion clubs were being organized on nearly a daily basis. Many of these clubs had existed before the reform communist move (as a semi-opposition) and now proved to be the germinating seeds of the political parties which would spring up as the reform movement continued.

Grosz' leadership began to fray from the moment he took office. He continued to plan reform measures, but his plans for implementation were long-term.

"Thirty years of gradually accumulated tensions cannot be eliminated overnight. The dangers of reform derive from the many illusions that accompany the reform. ...The reform is only as of creating better opportunities... This is a time-consuming job."18

The feeling among the general populace was too heady. Grosz lost control and reform came to have an inertia of its own. The Hungarians discovered that economic independence, the driver of the reform process, "could not be kept separate from political freedom."19

b. The Six Month Appointment

Grosz began his tenure with the heady excitement of spring and reform. One of his initial promises was the separation of the Party and the state. That separation evolved into a six month passage.

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During the summer he was in control, Grosz implemented tax reforms, liberalized the laws governing entrepreneurship, and visited the United States. The first Hungarian leader ever to do so. Grosz sought and received a new understanding of where Hungary was headed and promises of greater economic ties, an attempt to make Hungary more attractive to investment.

Concurrently, Grosz asked Kálmán Kulcsár, the Minister of Justice, to write a new law allowing the formation of opposition parties. The new law was set to go into effect in 1990. Events would catch up with it.

c. The Death of the Hungarian Socialist Workers’ Party

Grosz carried out his promise to separate the Party and the state. In November of 1988, Miklós Németh became the new Premier, Grosz surrendering that position. Németh was a Harvard-educated, reform-minded individual.

Németh’s elevation signaled the beginning of the end for the Hungarian Socialist Workers’ Party. Attacks on the Party, led by outspoken reformers such as Imre Pozsgay, trebled in intensity. A special commission of four members of the HSWP published a report stating "the Bolshevik revolution was a mistake, Stalin’s contribution to marxist ideology a heresy, and the introduction of communism into Hungary and the other satellite states of Eastern Europe an unmitigated disaster."20 Németh and Pozsgay openly supported the conclusions.

Németh accelerated the reform process. He expanded Kulcsár’s commission to that of writing a new constitution. By May, new political parties were formed.

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springing up all over. New parties extended from a right-wing Christian Democratic-style party to a new sexual liberation party.  

Gorbachev himself rung the death knell for the HSWP in France. On 6 July 1989, in a speech in Strasbourg, France to the members of the 23-nation Council of Europe, Gorbachev implicitly renounced the use of force against other Soviet-bloc nations. On the same day János Kádár died. The HSWP died with him.

On October 7, 1989, at an extraordinary congress of the HSWP, the party membership voted to dissolve themselves. Grosz was unable to generate support to stop the dissolution of the Party. The delegates then reorganized themselves into a new Hungarian Socialist Party, loosely based on the western social democratic models.

d. The Road to Free Elections

The road to free elections has not been simple in Hungary. The last free elections before 1990 were held in 1945. In those elections the Independent Smallholders' Party won 57% of the vote. By February 1946, however, the Hungarians were feeling the pressure of Stalin and the communists. In the elections of August 1947, the communists, in a coalition with other left wing parties took the election. They did this by getting a law passed stripping the franchise from those formerly associated with the right-wing parties in Hungary. By 1948 the Hungarian Communist Party had absorbed the Social Democratic Party, forming the Hungarian Working People's Party. They quickly removed all other


political parties from the scene. That has been the political stage in Hungary for the last 42 years.

e. The Opposition Parties

On February 11, 1989, the HSWP voted to allow opposition parties to be formed. By the end of 1989, 53 political parties were operating. Only nine parties, however, were able to garner the strength to participate in the Opposition Roundtable which worked with the ruling government and the HSWP/HSP to transition to a multiparty system.

The Hungarian Democratic Forum (Magyar Demokrata Forum) emerged as the first and strongest of the new parties. It was founded as a group on 27 September 1987 and by August 1989 had over 17,000 members. Its policies would be considered center-right and it is very vocal concerning Hungarian nationalism. Jozsef Antall, the leader of Democratic Forum declared after his election to the post of Prime Minister:

"This day means to us that we have to send a message to every member of the 15 million world community of Hungarians. The Hungarian nation stands united regardless of the citizenship that some of them may have obtained in the thunderstorm of history."}

24 Ibid, 5.


Antall denies any revanchist attitudes, nor does he profess irredentism. He does desire to promote the idea of "Hungarian-ness" while the party platform includes a plank concerning Hungarian plans to apply for associate and then full membership in the E.C. 27

The Alliance of Free Democrats (Szabad Demokratak Szövetsége) was the next strongest party. Founded on 13 November 1988, it only acknowledged 3,800 members by September 1989. 28 However, in the March 1990 elections it was a close runner-up to the Democratic Forum. Its policies stress European identity above Hungarian, and it seeks economic integration into Western Europe. This party will undoubtedly continue to gain strength as European integration proceeds.

The Alliance of Young Democrats (Fiatal Demokratak Szövetsége) was founded on 30 March 1988. 29 Its basis of support is found among the young and the middle- and upper-class. It also advocates an integration into Western Europe.

The Christian Democratic People's Party (Keresztény-demokrata Néppárt) was founded on 11 April 1989. 30 Although it is a small party it does enjoy some support, especially among older Hungarians. Its organization loosely follows policies proscribed by christian democratic parties in Western Europe. It has formed a coalition with the Democratic Forum and will likely eventually be absorbed by that party.

The Independent Smallholders' Party (Független Kisgazdapárt) is a rebirth of the old Smallholders' Party of such prominence after World War II. 31 It was founded

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28Barany, 1.
29Barany, 2.
30Ibid, 3.
31Ibid, 6.
on 12 November 1988 (although founders claim the original date of 1930). The ISP does not enjoy the kind of popularity it enjoyed in the 1940's due probably to the urbanization and industrialization of the past 42 years. It still retains the potential of being a power broker, however. One of its more popular policies is the espousal of a policy of returning ownership rights of agricultural holdings to their original owners.32

The Bakşy-Zsilinszky Society was founded on 6 June 1986.33 It primarily deals with environmental issues and will probably evolve into a Hungarian Green party. It is still a very small but influential group.

The Democratic League of Independent Trade Unions (Független Szakszervezetek Demokratikus Ligája) was founded on 19 December 1988.34 It is the Hungarian answer to the Polish Solidarity Trade Union movement and has held talks with that organization. It is also developing ties to western trade union organizations.

The Hungarian People's Party (Magyar Néppárt) was organized on 11 February 1989.35 This organization grew out of a discussion society named the Péter Veres Society. It is devoted to representing the poor, disadvantaged, and rural elements of the Hungarian population. While its membership is relatively large (18,000 in June 1989), it lacks leadership and a well-defined program.

The Social Democratic Party (Szocialdemokrata Párt) is a political party founded on January 9, 1989, but Hungary's original Social Democratic Party, from whom

33Ibid, 3.
34Ibid, 4.
This party professes to be descended, was organized in 1890. This party professes to be the true social democratic party in Hungary and has garnered some of the membership which has left the HSP. It has developed ties to the social democratic organizations in Western Europe.

The proliferation of political parties worried many on the eve of the election. Géza Jeszenszky, a leader of Democratic Forum stated, "The Hungarian situation is very volatile. The whole thing is a leap in the dark."

9. The Election

The election held on 25 March 1990 was the culmination of the institution of a new political system in Hungary. That new system was outlined in a series of constitutional amendments passed in 1989. The most important amendment passed was the Parliament Deputies Election Act XXXIV, 1989.

The Election Act basically established an election system based on party lists similar to that employed in Germany and other West European countries (proportional representation). Voters were required to fill out two ballots: one for individual parliamentary candidates and one for a party list. The results of the combined total provides how the seats in parliament are disseminated. Under the law 176 deputies are elected in individual constituencies, 152 by regional and county lists, and 58 by the national lists.

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34Ibid, 7.

35Bohlen, "50 Contenders in Search of a New Political Order."

The elections resulted in a neck-and-neck race between Democratic Forum and the Alliance for Free Democrats. Only about one-third of the parliamentary seats were decided and run-off elections had to be held in nearly 150 of the 176 parliamentary districts. These elections, held two weeks later, resulted in the victory of the Democratic Forum. On 3 May 1990, Jozsef Antall, the leader of the Democratic Forum, took the post of Prime Minister and began to form a government.

The HSP and the new HSWP suffered resounding defeats. Even Imre Pozsgay, one of the leading reformers, failed to be elected (although he did return to parliament on the "national list" of his party). Németh, running as an independent candidate in one of the industrial northern districts, was the only high-ranking member of the previous regime to return to the halls of parliament.59

10. Jozsef Antall

Antall is a well-known name in Budapest. Jozef's father, Jozsef Antall, Sr. was the commissioner for refugees during World War II and he helped thousands of Jews and Poles escape the Nazi's. Dr. Jozsef Antall, Jr. is described as "an upper-middle class European gentleman of pre-Communist outlook."60 Antall, 58, has a doctorate in History. His studies have

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60Harden, 19.
concentrated on parliamentary traditions in 19th century Hungarian liberalism. He was arrested in 1956 for participating in the revolution and was not allowed to publish any of his research until the thaw of 1963.

Antall believes that history holds some of the keys to Hungary's future. He feels that the center-right coalition elected in the March elections evoke a desire for a "spiritual citizenship" between Hungarians living inside and outside the borders of Hungary. His greatest task, however, may be restraining the nationalist ambitions of his compatriots if the irredentist movement in Transylvania flares once again.
III. HUNGARIAN RELATIONS WITH THE SUPERPOWERS

This chapter deals with Hungary’s relations with the superpowers and with NATO. The first section deals with the historical relationship between Hungary and the United States. The second section looks at how relations between Hungary and the Soviet Union have developed. The last section will briefly deal with the more recent developments between Hungary and NATO.

A. HUNGARY AND THE UNITED STATES

Historically Hungary and the United States have had good relations. Only the abandonment of Hungary, along with the rest of Eastern Europe, to Soviet domination and communist control ruptured, for a time, the traditional relationship. This chapter will trace the evolution of Hungarian-American relationships from their inception in 1848 through the most recent revolution. I hope, using Hungary as a model, to show the importance of this part of the world to U.S. policies, and to suggest possible changes in current policies to help nurture the reawakening of our friendship.

1. The Revolution of 1848

The United States had watched the events of 1848 unfold with great interest. The U.S. was still relatively new on the international scene and had not generally been accepted by the older monarchies of Europe because of the nature of its government. Now it appeared that constitutionalism was sweeping the old world. William H. Stiles, the American chargé d’affaires in Vienna had been reporting the upsurge in liberalism to the
U.S. State Department since the first stormy session of the Hungarian Diet in January. The State Department sent a delegation with $8,000, ostensibly "to make propaganda with."

In November 1848, some 8 months after the outbreak of the revolution, Stiles decided to visit Hungary to ascertain the situation. Although not an official visitor, he was bearing an American diplomat's letter which suggested, at least partially, an official status. The Hungarians perceived this as the first step towards recognition of their fledgling republic. In fact, Kossuth requested Stiles, as a representative of the United States, to negotiate an armistice between the armies of the Republic of Hungary and the Crown for the winter of 1848-49. Stiles, upon the approval of Secretary of State Buchanan, attempted to do just that but Prince Windischgrätz, who had been placed in charge of the Austrian armies, refused to accept anything other than unconditional surrender from the Hungarians.

After this rebuff, American policy became very cautious with regards to the Austrian Empire. Even so, the dispatch of A. D. Mann by the State Department to investigate the possibility of recognition for the republic resulted in a strongly worded protest from Chevalier Hülsemann, the Austrian Minister in Washington. This protest brought a strong reply from Daniel Webster who had once again taken over State from


42This belief was expressed by Kossuth Hirlapja during the visit. Szilassy, 181.


44Daniel M. Smith, The American Diplomatic Experience, (Boston: Houghton Mifflin Company, 1972), 136. Also, according to Szilassy Mann was, in fact, empowered to recognize the Republic of Hungary if it appeared that its independence was viable.
Buchanan. Webster declared that compared to the United States, Hapsburg possessions were merely "a patch on the earth's surface." This response was enthusiastically accepted by the citizens of the United States but did little to further the cause of Hungarian independence (then on the verge of collapse) or improve relations with the Hapsburg monarchy.

While the Hungarian Revolution was suppressed by Austrian and Russian armies, the American connection did not die. Austrian-American relations were at a low point, but they sank even lower when the United States hosted a speaking tour by the exiled Kossuth. The tour was imminently successful and included an address to the U.S. House of Representatives. After a period of 9 months, Kossuth departed the United States, and, as is traditional, the U.S. quickly forgot the trials of the Hungarian people.

2. World War I

With the exception of a massive wave of migration in the 1870's there was little contact between Hungary and the United States. This was due primarily to the continuing poor relations between the U.S. and what was now the Austro-Hungarian Empire. This lack of intercourse continued until World War I.

In World War I the United States found itself at war with the Austro-Hungarian Empire. At no point, however, did U.S. and Austro-Hungarian troops ever meet. The relationship between the two developed after the war.

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"Kossuth had escaped from Hungary to Turkey on two forged passports, one Hungarian and one English. He was interned in Turkey until September 1851 when he accepted an invitation to visit the United States. The Turks, unwilling to give him back to Austria, but disliking the responsibility of being his jailer, acquiesced to this request (much to the chagrin of the Austrian Empire.)
The Hapsburg Empire dissolved at the end of World War I. Hungary quickly moved to declare itself a republic once more and appealed to the western allies for aid. The western attitude toward Hungary, however, was to hold her as much to blame for the war as Germany and Austria. Most western aid, led by the French, went to the new country of Czechoslovakia and Romania, Hungary's avowed enemies.

The involvement with America came as a result of Wilson's 14 Points and the establishment of an Inter-allied Military Mission to Budapest to intervene in the Romanian "rape" of Hungary. Major General Harry H. Bandholtz was the U.S. representative to the Inter-allied Military Mission. In his diary, Gen. Bandholtz makes it very clear that what was occurring in Hungary was less than desirable.

"The Hungarians certainly have many defects,...but they are so far superior to any of their neighbors that it is a crime against civilization to continue with the proposed dismemberment of this country."  

The dismemberment of Hungary by the Treaty of Trianon was due primarily to the disinterest of the American and British delegations at the peace conference. It is interesting that the western allies helped the Serbians, who at the very least had silently endorsed, and may well have actively encouraged the crime which sparked World War I, achieve their stated war aims of the creation of a Greater Serbia (Yugoslavia), dissolution of the Dual Monarchy of the Hapsburg Empire, and the massive weakening of the only power in the Danubian Basin which could threaten them - Hungary. Why the Serbians rated such support from the western alliance is incomprehensible.

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68 Ibid, 362.
The signing of the Treaty of Trianon in June 1920 marked the end of any major relationship between Hungary and the United States until long after World War II.

3. The U.S. and the Uprising of 1956

The life of westerners in Hungary in the late 1940's was not easy. Harassment and detentions were the norm. Slowly, however, Hungarian-American relations began to normalize. By 1956 the two countries were at least on a speaking basis. The events of October-November 1956 were to dramatically change that.

Many have claimed that the United States instigated the events which led to and became the uprising of 1956. Radio broadcasts from Radio Free Europe were pointed to as promises of aid to the East Europeans willing to attempt to throw off the Soviet yoke. Some have even claimed to have heard reports of American paratroopers over Vienna on their way to relieve the freedom fighters during the height of the fighting between the Hungarians and the Soviet Army.

However, no such aid was forthcoming and any instigation by the west of the uprising was claimed to have been misinterpreted by the people of Hungary. Relations between the two countries had never been lower.

"The U.S. legation in Budapest was constantly surrounded by plainclothes agents who checked and interrogated everybody who entered the building. ...the U.S. diplomats in Budapest were almost hermetically sealed off from the outside world. Nor was the life of the Hungarian diplomats in the United States an easy one. Surrounded by hostile Americans, they were continually taunted by the man on the street demanding to know why the Russians had raped Hungary. The guest list at social functions of the Hungarian legation was made up for the most part of gas station employees who serviced the legation's cars, some members of the Communist Party of the U.S.A., Khrushchev's American friend, Cyrus Eaton, a few
newspapermen, and diplomats of the other socialist countries stationed in Washington."

Protests became the normal manifestation of the state of affairs between the two countries culminating in the exchange of a pair of *persona non grata* declarations in April 1957 as well as a refusal to recognize the credentials of the Hungarian delegation at the United Nations and the refusal of the American minister to Hungary to present his credentials to the Kádár regime the month before. For several years following, the American legation in Budapest would function under a chargé d'affaires *ad interim.*

4. The Kádár Years

János Kádár decided in 1962 to attempt to gradually begin to normalize relations between the two countries. Kádár's move toward moderation in his domestic policies, illustrated by his declaration of "He who is not against us is with us," had struck a positive chord in the United States.

Relations between the two countries continued to warm. In 1962 the U.S. helped alleviate the "Hungarian Question" in the United Nations (resolution of the credentials problem). Relations were chilled during the American involvement in the War in Vietnam, but Kádár's moderation continued to gain supporters in both the U.S. diplomatic service and among Americans in general. By the late 1970's, U.S.-Hungarian relations had taken a definite turn for the better. The policy of "differentiation" had been

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*Ibid*, 34.
installed in the State Department and the U.S. was prepared to deal with Hungary as an entity apart, rather than a pawn in the Cold War.

This policy of differentiation placed the United States in a unique position to take advantage of the events which were to occur in the Soviet bloc at the end of the 1980’s.

5. The Reagan Era and the "Evil Empire"

Many people have expressed the idea that the events in Eastern Europe have been a direct result of the Reagan defense build-up and the renewal of the arms race. In effect, they argue that the Soviet Union was incapable of keeping up with the technological challenge presented by such programs as the Strategic Defense Initiative. The collapse of their economy resulted in a collapse of the political will of the Party to continue the conflict. This argument assumes that Gorbachev is a product of this event rather than a cause. The net effect in Eastern Europe, and thus Hungary, is the same.

Hungarian-American relations had not been particularly bad through the late 1970’s and early 1980’s. Hungary was recognized as one of the most progressive, if not the most progressive, of the east bloc countries. Relations took a significant turn for the better in 1978 when the United States returned the Crown of St. Stephen to Hungary as well as signing a major Hungarian-American Trade Agreement.

6. The Return of the Crown of St. Stephen

The return of the Crown of St. Stephen bears further investigation. No other object embodies the soul of Hungary as does the Holy Crown. 51The Crown was presented

to Prince Stephen of the House of Árpád by Pope Sylvester II upon his conversion to catholicism in 1000 A.D. He and his successors successfully defended the freedom of their country against both Christian and non-Christian attempts to subjugate Hungary. During this time the Crown claimed a unique place in the constitutional development of the country. Each successor to Stephen was crowned with this same crown. A "Doctrine of the Holy Crown" began to develop. Any law which was enacted up to and including World War II, was done in the name of the Holy Crown.

The Crown was spirited to American forces in Austria at the end of World War II by Col Pajtas, commander of the Crown Guards. The Crown was subsequently stored in the vaults of Ft. Knox. Its return significantly improved relations between the peoples of the two countries if not necessarily the governments. It will probably never be known to what extent its return contributed to the gradual reduction of power of the Hungarian Socialist Workers' Party and the eventual demise of the socialist state in favor of the current Republic.

Events continued to slowly evolve in favor of better relations. In 1983, then Vice-President and Mrs. Bush undertook the first visit of a vice-president of the United States to Hungary. The visit coincided with the first declaration of "most-favored nation" trade status for Hungary. MFN status was continued in 1984, 1985 and beyond on an annual review basis. In 1986, President Reagan commemorated the Thirtieth Anniversary of the Hungarian Revolution. The commemoration dampened relations for a short period of time, but did not create the icy atmosphere such observances had in the late 1950's. By 1988 and the fall of Kádár, relations were exceptionally good.
7. Relations in the post-Kádár Era

Response to the revolution in East Central Europe, has been muted in the West, but is gaining momentum at the private level. President Bush visited Poland and Hungary and promised a small economic aid package. The primary emphasis has been on private investment. At the President's initiative, the United States and Hungary jointly established the Hungarian-American Enterprise Fund. This fund is to assist in the privatization of industry.

8. The Future of American-Hungarian Relations

Hungarian-American relations are currently better than they have ever been. A beneficial relationship could only prove a boon to both countries. A close relationship could operate as a stabilizing influence in a region which is fast losing the influence of the entity which has provided its stability for the last 40 years as the U.S.S.R. continues to decline in influence in the area.

B. HUNGARIAN-SOVIE Relations

Hungary has been a victim of its geographical position for the past 42 years. It has constantly been attempting to escape its current status and find a path that will lead it to the kind of neutral status now enjoyed by Austria. This section will trace the evolution of Hungarian-Soviet relations, concentrating on events leading up to and following the 1956 revolution.

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5Dept. of State, Bulletin, September 1989, 41.
1. **Historical Background**

The history of Hungarian-Russian relations is one of centuries of antagonism. Hungarian-Soviet relations have not fared much better. With the exception of a brief four months in 1919 (under the Béla Kun regime), Hungarian-Soviet relations continued to be abysmal.

   a. **The Post-War Period**

After World War II, Hungary fell under Soviet occupation. The Soviets did little to create good relations with the conquered country. Rape and looting were common crimes as the Red Army moved through. Over 250,000 people were deported to labor camps in the Soviet Union. The country, already destroyed by war, was stripped bare of the capital needed for rebuilding. The communists, outlawed under Horthy, returned from exile and were placed in charge of such key organizations as police, military, transportation and communication, etc. Thus, the communists gained influence far beyond what their numbers warranted.

Mátyás Rákosi, a staunch stalinist, was brought to power unopposed with Stalin's assistance. His rule marked the zenith of Hungarian-Soviet relations. Rákosi sent Stalin billions of dollars in food and goods as well as thousands of laborers to work in the Soviet Union.

   b. **The Kádár Era**

Hungarian-Soviet relations throughout the Kádár years can best be characterized as being independent domestically and subservient in international policy. Kádár used the promise of support in international affairs in order to obtain Brezhnev's

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indulgence in domestic economic reform. One of the primary requirements of NEM was the expansion of relations with the West. By 1972 pressure from the Soviets because of these contacts began to force Kádár to intervene in the NEM reforms. Although generally seen as a stable economy through the late 1970’s, this heralded the beginning of the economic stagnation that characterized the Hungarian economy in the 1980’s.

2. The Gorbachev Revolution

The elevation of Mikhail Gorbachev to the post of General Secretary of the Communist Party of the Soviet Union on 11 March 1985 will come to be seen as a fundamental turning point in Soviet relations with all the East Bloc countries. The first two years of Gorbachev’s rule saw little change in the policies in the policies toward Eastern
Europe in general. By 1987, however, Gorbachev seemed to have consolidated power and there began to be talk of a doctrinal shift in Soviet attitudes toward Europe. Specifically, Gorbachev began putting pressure on the military for cuts which could fuel perestroika. As early as February 1986 Gorbachev was talking of "reasonable sufficiency" and "parity at a lower level." These demands forced a reevaluation of the threat posed by NATO and of the value of the Warsaw Pact.

As it became apparent that Gorbachev really believed in perestroika, calls for reform in Poland and Hungary grew. Poland's reformers found their power base in the Solidarity Trade Union movement. Hungary's reformers came from within the Communist Party itself.

a. Political-Economic Effects

The reforms quickly leapt from the political sphere to the economic. As previously stated, new laws have been passed allowing foreign investors to purchase controlling interest in Hungarian firms and have guaranteed the right to repatriate the profits. These changes would have been causes for great alarm in a pre-Gorbachev Soviet Union, but at this point it appears that Gorbachev not only accepts the changes, but actually believes that some of them may have application to the U.S.S.R.

b. Change

The fact that there may be so much continuity is not to suggest that there will not be change. The primary change is obviously going to occur in how much influence the Hungarians will allow the Soviets to have in their domestic politics. For 42 years the Hungarian communist party was dominated by the CPSU. Now the communists

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are out of power and even so, the new Hungarian Socialist Party, the HSWP's successor, has professed belief in the western social democratic tradition rather than Marxism.

Second, the Hungarians are beginning to demonstrate a phenomenon I will call *nyugatpolitika* or "west politics." The Hungarians have already made overtures to the European Economic Community. The Hungarians formally established relations with the EC in 1989 and have recently begun the process of applying for membership. They have also improved their relationship with West Germany, up to and including a statement which supports a unified Germany in NATO. Mr. Pozsgay even opined, "such a Germany would not impose any danger or threat to Europe." Finally, and most importantly the Hungarians completely dismantled their border fortifications along the Austro-Hungarian border. Nearly all restrictions have been lifted on travel between the two countries. This event plays an important role in what Central Europe will look like in the future.

c. Regional Problems

The Soviet Union has been the most stabilizing influence in the Balkans since the Ottoman Empire. Complete abdication of influence in the area may have deleterious effects. Relations between Hungary and Romania, historically poor, have not been vastly improved by the downfall of Ceausescu, nor does it appear that there will be any fundamental resolution of their problems in the near future.

In addition, conflict in Yugoslavia could quickly involve Hungary, who has a historical interest in the area (note Hungary's boundaries in Figure 1). Such a conflict could quickly ignite other regional hot spots (Greece-Yugoslavia, Greece-Turkey,

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Bulgaria-Turkey, etc.). With the absence of any other power capable of guaranteeing peace in the region, the USSR must continue to exert some form of influence on the area. In the absence of such influence, the old antagonisms may destabilize the region.
IV. THE MOVEMENT FOR NEUTRALITY

The dissolution of the order that has existed in Eastern Europe for the last forty years necessitates the substitution of a new system in its place. Each country in Central Europe has had an historical neutrality movement. With the dissolution of the Warsaw Pact and the withdrawal of the Soviets from East Central Europe, the question arises what will this new system look like?

The Hungarians have debated the question of neutrality since the signing of the Treaty of Trianon on June 4, 1920. This treaty stripped Hungary of her natural, defensible borders and has made the prospect of neutrality difficult. This chapter will trace the history of the neutrality movement in Hungary from the Treaty of Trianon to the events of early 1990. Finally, the issue of a neutral or nonaligned Hungary itself will be dealt with, in order to show the possibility or improbability of such an occurrence and its impact on Közéteuropa.

A. NEUTRALITY AND THE TREATY OF TRIANON

As mentioned in the beginning the Treaty of Trianon represented one of the most significant occurrences in Hungarian history. Its impact continued to be felt over 70 years later.

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1. Politics and the Treaty

Hungary tried for several months at the Paris Peace Conference to convince the allies of their sincere desire for neutrality. The Paris Conference commissioned a team to go to Budapest and conduct the negotiations. Due to extreme Czecho-phillism and the historically close ties of the Romanians and the French, in addition to a certain amount of disdain of the professional military officers in the commission for the obvious weakness of the Hungarian Army at the time, no agreement was reached.

2. Geography and the Treaty

The Treaty of Trianon removed Hungary's natural borders. Throughout the next 25 years, the primary emphasis of Hungary's foreign policy was on reacquiring the lost territories. Those territories were viewed as absolutely necessary if Hungary was to exist as a true neutral state. Even today Hungarian politicians are sensitive to their geostrategic situation:

"As a fact, we should take cognizance that we are here, in a region that is surrounded on the east and the west by two large nations. These, alternatively, over time, have been occupying powers, powers with zones of influence." In fact, in a discussion with the U.S. Military Attache in Budapest, one Hungarian military officer made the astute observation that "Hungary is a prisoner of its geopolitical location."

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B. NEUTRALITY AND THE SECOND WORLD WAR

The rise of the Nazi Party in Germany and its revisionist nature brought Hungary into Germany’s orbit. Horthy also had a desire to revise the treaty of the last war although he did not want to go to war to achieve his policies.

Hungary’s foreign policy under Horthy was designed to regain peacefully some of the territory lost under the Treaty of Trianon. Horthy attempted to achieve this through maintaining a foreign policy “balance” or in other words, nonalignment, in a sense. As it became obvious that the allies were either in no position to assist Hungary, or had no inclination to assist her, Horthy felt he had no other choice but to “appease” Hitler as the Western powers had done earlier.

Count Pál Teleki was the prime minister of Hungary from 1939-1941. He directed the policies of the Hungarian government during this period. Teleki had been very adept at balancing Hungary between the prowess of Germany and the power of the Soviet Union. When it became apparent that Hungary could no longer resist German political pressure, and Hitler forced Horthy to allow German troops passage across Hungary on their way to Yugoslavia, Teleki committed suicide in protest (April 1941).  

C. THE END OF THE WAR

After the war, the Hungarians knew that establishing a neutral country in the post-war world was going to be difficult. In his book Forradalom Után (After the Revolution), Gyula Szekfű, the pre-war Hungarian ambassador to the Soviet Union, warned the

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*It is interesting to note that, although Hitler forced Horthy into allowing passage of troops in the invasion of Yugoslavia, and eventually coerced Hungary into joining the hostilities, Germany and Hungary never signed a military alliance. See Anthony Tihamér Komjáthy, A Thousand Years of the Hungarian Art of War, (Toronto: Rákóczi Foundation, 1982), 164.*
Hungarians about the power and position of the Soviets and the Red Army. The specific article, often compared by Hungarian political scientists to George Kennan's famous X article on "The Sources of Soviet Conduct," outlined the geopolitical realities facing Hungary.\(^{41}\)

Immediately after the war Hungary attempted to walk a fine line between the Soviets and the Western allies hoping to achieve some kind of guarantee from the West up on which they could build a neutral government. Unfortunately, the allied conference at Yalta earlier in the year had sealed their fate.

D. THE AUSTRIAN STATE TREATY

For eight years, from the communist takeover in 1947 to 1955, Hungary suffered under a stalinist dictator with no hope. The signing of the Austrian State Treaty in 1955 brought a ray of sunshine into the dreary lives of the Hungarians. They began to believe that the Russians could be enticed to leave peacefully as long as they could guarantee their neutrality.

That guarantee was not easy to achieve. Austria became a federal democratic republic only after nearly 10 years of difficult negotiations. The treaty (along with the Austrian Constitution) guarantees "Permanent Neutrality" on the part of Austria. It is very specific on the size, type, and weaponry of the Austrian Army. It also prohibits any political or economic union with Germany.

\(^{41}\)X (George Kennan), "The Sources of Soviet Conduct," Foreign Affairs, (July 1947), 566.

The key portion of the Austrian model which makes it so attractive to Hungary, however, is its unique relationship with both the East and the West. Austria enjoys complete independence domestically and shows restraint in its dealings internationally under the terms of its neutrality as laid down in the treaty. The tone of its foreign policy remains western in nature.

E. DISSOLUTION OF THE SECURITY SYSTEM

1989 saw more and faster change in the east bloc than at any time since 1945. Poland has a non-communist government. The Baltic Republics are demonstrating for independence from the Soviet Union. The U.S.S.R. itself has admitted to an "illegal" pact with Hitler dividing eastern Europe, and Poland, Hungary, and Czechoslovakia are experiencing their first free elections in more than 40 years and are implementing true multiparty systems.

The reforms being implemented by Hungary are not guises to entice western hard currency, but represent an attempt to regain their status as a Western nation. As previously mentioned, other reforms have included the opening of the Hungarian stock market and the loosening of the restrictions on multinational firms operating inside Hungary. New laws now allow 100% foreign ownership of Hungarian firms and the guarantee the right to repatriate any profits.43

1. Reforms and Neutrality

The political reforms which have occurred since May of 1989 have spurred a new movement toward neutrality. The new movement encompasses the withdrawal of

Soviet troops, a much reduced military budget, political neutrality on the part of Hungary, and a renewal of the western ties which have been neglected since 1947.

a. **Soviet Troop Withdrawal**

The initial call for the withdrawal of Soviet troops occurred on January 18, 1990. Hungary called for the withdrawal of all Soviet forces from its territory by the end of 1991 as part of the Conventional Forces in Europe negotiations in Vienna. Ference Somogyi, the State Secretary of the Hungarian Foreign Ministry issued the statement.44

Informally, the idea of a Soviet troop withdrawal had surfaced a month earlier. As early as 5 December 1989 prominent Hungarian politicians such as Imre Pozsgay, a member of the Presidium of the Hungarian Socialist Party and a popular Hungarian politician, stated: "I would like the foreign troops to leave Hungarian territory...." Less than two weeks later Gyula Horn, the Hungarian Foreign Minister, stated:

"We have been pushing for a long time already for the soonest possible withdrawal of Soviet troops. The other week Miklos Németh, the premier, raised this at the discussions he held in Moscow with Ryzhkov. [His answer was] that the Soviet side is ready on the basis of the earlier agreement (the unilateral drawdown announced by Gorbachev on 7 Dec 1988 at the United Nations) to continue the troop withdrawals."45

He went on to say that the acceleration of this operation was the government's number one priority.

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The Soviets and Hungarians finally reached agreement in March 1990. According to the agreement, all Soviet troops would be withdrawn from Hungarian territory by mid-1991.

b. Reduction and Reform of the Hungarian Army

Reform in the Hungarian Army has been an ongoing process since 1987. Since that time the Hungarians have attempted to decrease the size of both the Army and its budget. Nineteen-Ninety will prove to be the critical year.

The announcements made by the Hungarians in 1989 point to a 35% reduction in the size of their armed forces by the end of 1991 combined with a 30% decrease in defense expenditure. While some view such a decrease with much trepidation, particularly as events remain unsettled in Romania, the Parliament overwhelmingly approved it.

According to Ferenc Karpati, the Minister of Defense, the military budget will account for less than 6% of this year’s expenditures as opposed to over 7.5% of last year’s. In addition the size of the Hungarian Army will drop from 106,000 to less than 80,000 men. Hungary will retain the option of alternative service for its conscripts although less than one percent have opted to use it since its inception in 1988.\(^7\) In addition the number of tanks will drop from 1400 to 800, artillery from 1700 to 900, and fighter aircraft from 113 to 80. According to Brigadier General Jozsef Biro, the units will

be redeployed in order to allow the Army to defend Hungary against any aggressor, rather than being concentrated in the west.68

This chapter shall briefly explore the historical relationship of the major players in the Austro-Hungarian Empire (and in any resurgence of unity in the Danubian Basin) – Austria, Hungary, and Bohemia (Czechoslovakia) – in their historical context, from 1866
to 1918; through the interwar years; and finally through the Communist Era. It will look at some of the changes which appear to be occurring in their relationship and will propose that a plausible replacement for the fast dissipating security system may involve a neutral troika consisting of these three Central European countries (possibly including Yugoslavia).

A. Közötteuropa

"With no precise borders with no Center or rather with several centers, 'Central Europe' looks today more and more like the dragon of Alca in the second book of Anatole France's Penguin Island to which the Symbolist movement was compared: nobody who claimed to have seen it could say what it looked like."

Közötteuropa should not be defined in the same manner that Mitteleuropa had been defined. Mitteleuropa has meant many things in the past - from Freidrich Naumann's pan-German domination of East Central Europe to Melvin Croan's vision of East Central Europe as a cultural union. The concept used here invisions a political spatial entity. One that I believe will reject German and Russian hegemony while recognizing the economic power of Germany and the continued military might of the Soviet Union. Such an entity will not involve a single political entity, but more an alliance much like the Treaty of Brussels which led to the development of NATO, but which will have aspects similar to the early European Economic Community. All the major players that I envision in this concept (Hungary, Austria, Czechoslovakia, and possibly Poland and parts of Yugoslavia) have shown some interest in such a concept.

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70 Croan, 176.
1. **The Visions of Central Europe**

The idea of a unified Central Europe is not new. The Austrian Empire was one illustration of the concept, the Austro-Hungarian Empire a second. Since the Habsburgs defeated the Turks, there has been an implicit Western understanding of the need for a strong central European state to act as a buffer for western Europe.

Freidrich Naumann wrote of a pan-German domination of the East Central Europe after Austria-Hungary was defeated by Prussia. This logical extention of the idea of a unified German state (Germany and Austria) gained credence through the inter-war years, and reached its zenith when combined with the racist doctrines of Nazi Germany. Hitler took Naumann's ideas and warped them into a Central Europe not only dominated by Germans, but annexed and then assimilated by them. Because of the experience during the war the term *Mitteleuropa* still conjures dark and malignant emotions in the hearts of Poles, Czechs, Hungarians and the other inhabitants of East Central Europe.

During the war, however, many East Central Europeans in exile in England discussed the future of their region in the world. Many recognized that continued tension between them could only lead to domination by either Germany (still undefeated at the time of most of these discussions) or the new, powerful Russia under the guise of Stalin's Soviet Union. Many felt the only answer to these powers was a geographical entity with stronger binding ties than a simple alliance, but something that would still allow some autonomy to the different cultures involved. This concept was but forward by the Poles at a London conference in 1943. Professor P. M. Roxby argued that the geography of East Central Europe, particularly the northern section encompassing Poland demanded some kind of supranational entity for security reasons.
"We all hope, not for a piecemeal settlement which takes into account only local factors, but for a settlement which allows of future growth and which aims at knitting together the peoples of Europe, with their different cultures and interests, into a real European community, where the different groups are conscious of being parts of a bigger whole. No settlement has any real prospect of permanence or of averting further catastrophes which has not that as its central purpose."71

Unfortunately, the end of the war did not witness a Central European concept of Central Europe being implemented, but one propounded by the Soviets and agreed to by the West at Yalta, a concept which was to endure for over 40 years, and which represented a strictly defined division between East and West.

The soviet concept was that the countries of Central Europe would be united politically and militarily first, tied together by the Soviet Union, and that this unification would evolve into an economic-cultural bond through evolution. It came as a shock to the Soviets that this did not occur. Most did not realize that it had not occurred. Jacques Rupnik in his book The Other Europe describes on his first page of text how shocked and surprised Soviet authors were at a Wheatland Conference held in Lisbon in May, 1988 when:

"For the first time, with unprecedented frankness, Hungarian, Polish and other writers from Central Europe confronted their Soviet colleagues with two basic facts that apparently had never crossed their minds: that Central European culture exists as something distinct from the Soviet Union and that Soviet Russia is perceived as an oppressive colonial power."72

71P. M. Roxby, "The Geographical Background of Federation in East Central Europe," Unity or Chaos: Course of Lectures delivered at the Conference on Poland for Teachers held at the University of Liverpool on September 25-26, 1943, (Liverpool, England: Polish Publications Committee, 1943), 15.

This concept could not survive the loss of legitimacy of the individual governments involved. There was no identification on the part of the cultures with the whole except as a brotherhood of oppressed peoples living under communism.

2. The Future of Central Europe

The problem which now arises is how the bring together the different visions that are springing up throughout Europe. The only similarity in the concepts tends to be the idea of eventually joining the EC. The Hungarians perceive something akin to a reborn Austria-Hungary, a joint economic base reminiscent of the founding of the European Common Market. They see this as a stepping stone into the EC. The Czechs and Austrians have discussed this with the Hungarians. There has been mention of Croatia and Slovenia participating and Italy has also attended these conferences (although they are already part of EC). Finally, the Poles were quite vocal when they were left out of the first discussions and they are now a part of what has come to be known as the Pentagonale.

The Pentagonale may represent the next step in the concept of Central Europe, the embodiment of the Közötteuropa concept described above. If so it may only be a transitory step on the path to a truly unified Europe. To reach this end, however, each of the major pieces must be understood. In the next section I will deal only with those parts which were major portions Austria-Hungary, though I recognize the potential of the addition of Poland and Italy to the concept.

Finally, there is always the force of nationalism with which to deal. Not only do each of the fledgling democracies in Central Europe (with the exception of Poland) have fairly extensive ethnic minority groups, but each can claim to represent rather large ethnic groups in neighboring countries. This was brought to the forefront in Hungary when one
of the key planks of the newly elected ruling party, the Democratic Forum, is the promise to protection for Hungarian minorities elsewhere, quite obviously aimed primarily at Romania, a country noted for its attempt to assimilate its Hungarian minority through almost any means.

B. THE MAJOR PLAYERS

This section will provide a short background history for two of the other major participants in the Közötteuropa concept.

1. Austria

Austria represents the key to the concept of Közötteuropa. It is the only one of the major players to have gained and maintained neutral status through the Cold War. Its experience will provide necessary expertise for a future Közötteuropa on how to deal with the superpowers.

a. The Treaty of St. Germain

The treaty of St. Germain (1919) devastated Austria. In fact, the first chapter of Kurt Waldheim’s book The Austrian Example is entitled "Birth from Chaos." A futile attempt by Karl I to federalize the empire in 1918 resulted in the complete dissolution of it. Austria went from being the second largest political entity on the map of Europe to being a small insignificant republic of 32,000 square miles and 6.5 million inhabitants. The economy was a shambles and famine was a constant threat.

Because of the poor conditions, the idea began to germinate that Austria could not exist on her own. Although disallowed by both the Treaty of Versailles and the Treaty of St. Germain, the Great Depression and the panic which ensued in Austria

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Waldheim, 13.
b. **Austria and the Anschluss**

Austria was the first of the countries of Central Europe to fall to the Germans. Despite a strong pro-German feeling in Austria, the Austrian government, on the whole, had attempted to pursue a policy of neutrality. In 1937, Hitler decided to liquidate Austria.

In February 1938, Hitler invited the Austrian chancellor, Kurt von Schuschnigg to a meeting in Berchtesgaden in order to discuss an increasingly hostile press campaign in Austria against Germany. At the meeting, Hitler bullied Schuschnigg, accusing Austria of violating the 1936 Austro-German agreement, into accepting outrageous terms. Once back in Austria, Schuschnigg attempted to renege on the agreement because of the implied use of force. He failed. On 10 March he was succeeded by the Austrian Nazi, Dr. Arthur von Seyss-Inquart.

During the night of March 11, 1938 German troops entered Austria and on 13 March Austria became a province of the German Reich. This move, and the lack of response from the West, was the death knell for Czechoslovakia as well.

c. **The Austrian State Treaty**

Austria became a federal democratic republic thanks to the signing of the Austrian State Treaty of 1955. The treaty was the result of nearly 10 years of struggle to remove the occupation forces of both the East and West from Austrian territory. The treaty (along with the Austrian Constitution) guarantees "Permanent Neutrality" on the part of Austria and prohibits any political or economic union with Germany.
The key portion of the Austrian model which makes it so attractive to Czechoslovakia and Hungary, however, appears to be its unique relationship with both the East and the West. Austria enjoys complete independence domestically and is restrained in its dealings internationally only by the terms of its neutrality as laid down in the treaty. The tenor of its foreign policy remains western in nature and Austria cannot be considered anything other than a western country.

2. Czechoslovakia

Czechoslovakia will also be an important part of Central Europe. The Czechs have a history of democracy as well as an excellent heavy industrial background.

a. The Inter-war Democracy

Czechoslovakia developed a truly democratic government; in fact, the only stable government of the period. It became by far the most successful of the successor states. Economically Czechoslovakia had a well-developed industrial base and a good source of raw materials. In addition, it did not suffer the restrictive measures of the Treaty of Trianon.

It was the leaders of Czech independence, Tomáš Masaryk and Edvard Beneš, who convinced the allies of World War I that the Hapsburg monarchy should be replaced by independent nation-states. In contrast to its neighbors, the democratic institutions established in Czechoslovakia in 1918 lasted throughout the interwar years.

In 1919 a joint Czechoslovak-Romanian military operation against Hungary brought down the communist regime of Béla Kun. This cooperation resulted in formation of the Little Entente. On August 14, 1920 Czechoslovakia entered into the Little Entente, first with Yugoslavia, then with Romania in April of the next year. The Little Entente was
devised and organized specifically to counter bolshevism in the region and Hungarian irredentism.

b. The Munich Crisis

Only with the rise of Hitler and the beginning of the concept of revision did Czechoslovakia come under threat of dismemberment. The agreements which had been made with the West in order to avoid just such an occurrence were not honored and the Czechoslovak democracy fell to teutonic totalitarianism.

Hitler promulgated the dismemberment of Czechoslovakia by using the Sudeten German minority as his *causus belli*. Hitler instructed the Sudeten Nazi Party to begin intense agitation against the Czechoslovak government. In March, the Sudeten Germans requested autonomy. By September they were calling openly for cessation to Germany.

On 29 September the Prime Ministers of Germany, Italy, Great Britain and France met in Munich in order to reach some kind of agreement. The meeting did not include a Czechoslovak representative. Czechoslovakia was forced to give up the Sudeten area (and most of her defenses as well). Czechoslovakia lay open to her enemies. In March 1939 Hitler performed "the liquidation of this problem," and forced the Czechoslovak President, Emil Hácha, to sign away the independence of the Czechoslovak Republic.

c. The Czechoslovak People's Republic

Czechoslovakia represents the only country of Eastern Europe which gained a communist government by primarily domestic means. In 1945 Edouard Beneš returned from London (where the Czechoslovak government-in-exile had been located) to Prague via Moscow. Memory of the betrayal of the western powers at Munich in 1938,
combined with the gratitude of the Czechs and Slovaks to the Red Army, created a
domestic situation favorable to the communists.74

In 1946 the Czechoslovak Communist Party (CPCS) reached its pinnacle
of popularity. In the elections in May, the CPCS polled 38 per cent of the vote and gained
114 of 300 seats in parliament.75 Klement Gottwald, chairman of the CPCS, became the
prime minister.

In late 1947 the popularity of the communists began to wane. The CPCS
realized that they would be unable to win the upcoming elections in May of 1948 so they
instigated a governmental crisis which brought down, with Soviet assistance, the Beneš
regime. Gottwald became president and for the next 20 years Czechoslovakia suffered a
Stalinist dictatorship; first under Gottwald, then from 1953 under Antonin Novotny.

d. "Prague Spring"

A party crisis was precipitated in 1967 when the government began to be
openly criticized by liberal elements of society. The leadership was removed by a Central
Committee meeting in Dec 1967 and in January 1968 Alexandr Dubček was installed as the
new leader of the CPCS. Dubček began a process of liberalization designed to bring about
"socialism with a human face." Unfortunately, the Soviet leadership saw the reforms as
a direct threat and, under the auspices of the Warsaw Pact, implemented the "Brezhnev
Doctrine" by invading Czechoslovakia.

74 The Red Army did not occupy Czechoslovakia as it had other countries in the fight
against Germany. See Otto Ulc, "Czechoslovakia," Communism in Eastern Europe, 2nd ed.,
75 Ibid, 117.
Of interest to this discussion is the relationship between Hungary and Czechoslovakia during this period. It is interesting to note that three days prior to the Warsaw Pact invasion, Kádár asked Dubček: "Do you really know the kind of people you’re dealing with?"6 An obvious attempt to warn Dubček about what was about to happen; not the action of someone who harbored ill-feelings about their neighbor. Since 1968 Hungary and Czechoslovakia have enjoyed good relations including regular joint military exercises and exchanges and various joint economic projects especially along the Danube.7

C. A NEW SYSTEM

The end of the 80's basically witnessed the end of the security system prevalent in Europe since the defeat of Hitler. The future thus holds many promises and much doubt as to what kind of system will replace that lost.

1. Prospects for Hungarian Neutrality

Throughout 1990 the Central Europeans, especially the Hungarians questioned the need for the Warsaw Pact. Finally, in early 1991 a consensus was reached and on 31 March 1991 the Pact ceased to exist. Unlike in previous years, the Soviets do not appear threatened by the current movement. No less a figure than Eduard Schevardnadze, the Soviet Foreign Minister, has stated that Hungarian neutrality does not represent a threat to the Soviet Union. At least two other major government officials, Academician Yevgeniy


7These joint projects quite often lead to problems, however, as evidenced by the recent Gabčíkovo-Nagymaros barrage project on the Danube. The Project was a plan to dam the Danube for hydroelectric power. Public outcry in Hungary combined with the reform movement created enough friction to cancel Hungarian participation.
Primakov, chairman of the Soviet of the Union, and Nikolay Shishlin, head of a CPSU Central Committee Department have both stated that the Soviet Union would not interfere if Hungary decided ... on neutrality.78

Prime Minister Antall pointed out the intrusive nature of the Pact on the sovereign rights of the seven member nations, particularly that part which calls for the use of the Hungarian Army outside the boundaries of Hungary. Antall also made it clear that the dissolution of the Warsaw Pact did not require a corresponding move on the part of NATO.

"The Warsaw Pact, due to processes ongoing in Central Eastern Europe, is in a state of crisis. At NATO, we cannot see any phenomenon of this kind."79

Mr. Antall's announcement, preceding a major Warsaw Pact meeting, indicates the neutralist, if not pro-western, tendencies of the new Hungarian government. Thus, the question now becomes what will be the Soviet reaction, not if Hungary becomes neutral, but if Hungary attempts to join the Western alliance (either directly or as a member of the EC).

2. Hungarian Security Concerns

The changing political alignment in Europe is forcing a new look at the security arrangements in place. For the last 40 years the peace in Europe has been maintained by a fragile balance between the two major powers and their blocs. With the demise of the Warsaw Pact on 31 March 1991, a new set of variables come into play. Regional tensions may have a much greater possibility of exploding into armed conflict. Hungary must face

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the possibility that problems may occur with her neighbors and prepare accordingly. Her
two major concerns at the moment are represented by the authoritarian regime in
Bucharest which views their own internal ethnic problems with the transylvanian magyars
as being exasperated by the new Hungarian regime, and by the continued unrest in
Yugoslavia, rocked by separatist movements in Kosovo province and in Slovenia and
Croatia. Hungarian basically has three ways of approaching these security concerns:
1) nonaligned neutrality, 2) establishment of a regional security grouping, 3) acceptance of
a collective security system, or 3a) a combination of a regional grouping within the
framework of a collective security system.

Nonaligned neutrality is probably not an acceptable solution to the Hungarians.
In order for such a move to be effective the Hungarians would have to maintain a large
military with its accompanying budget. The Hungarians have already begun cutting back
military expenditure and force structure. The Hungarians will probably maintain their
existing reliance on a conscripted military force and large reserves, however, since they
lack the natural defensible borders which would allow them to rely on a smaller volunteer
army.

The establishment of a regional security group is highly likely at this point.
Meetings such as the trilateral and pentagonale meetings have already occurred and are
set to continue. Appropriately, the partners participating in these meetings make up most
of the countries I have described as being participants in Közölteuropa. The possible
inclusion of Poland into this group extends the boundaries of new power bloc from the
Adriatic to the shores of the Baltic Sea.
3. Hungary and NATO

NATO is dealt with separately and distinctly in this instance because of the unusual announcements by the Hungarian foreign minister, Gyula Horn, during the last few months. Hungary has maintained fairly good relations with the individual capitals of Western Europe, but NATO has always been portrayed as an aggressive alliance of the capitalists. However, in a statement issued on February 21, 1990, Horn proposed possible NATO membership for Hungary.

Hungary was one of the first European countries to call for the dissolution of the alliance system in Europe. Failing that, however, Horn, citing the principles of the 1975 Helsinki Final Act, stated, "This may bring forth a new attitude and, in this framework, it cannot even be excluded that Hungary joins NATO." Obviously Hungary envisages an evolution of NATO in this context to one of fulfilling a collective security role under the CSCE umbrella.

Hungary, as well as Czechoslovakia and Poland, has expressed interest in some kind of relationship to NATO. All three now have ambassadors participating as invited guests with the NATO Assembly. Hungary has announced its belief that NATO can act as a collective security arrangement for Europe. It is also quite possible that a regional grouping could be established under the umbrella of a collective security system (much as the Brussels Pact exists under NATO).

4. The European Free Trade Agreement

Both Austria and Hungary have made application to the European Community which is still set to coalesce in 1992. Czechoslovakia, who has issued a call for the

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disbandment of COMECON, cannot be far behind. While it is quite possible that any, and perhaps all, of the countries may be accepted into the EC, the EFTA presents a viable alternative, either as a transition, or as an independent answer for the Central European neutrals.

Once again one of the major questions to be answered is the response of the Soviet Union to such close ties between its former satellites and the West. The Soviets may well perceive this as a threat and, while it is highly unlikely that they will attempt to reinstate hegemony in the area, such a perception may well fuel a second round of the "Cold War", this time with the "Iron Curtain" drawn along the Polish-Czechoslovak-Hungarian borders. Such an event would almost certainly be met by the establishment of a regional security system — Közötteuropa.

5. Prospects for Közötteuropa

Regardless of the EFTA or EC membership, the security situation in Central Europe is fundamentally changing. The division of the last 40 years was an anachronism. The changes currently taking place will restore the proper balance in the region, and that proper balance is a close political and economic relationship between these three prominent countries.

To recap what has happened to bind these countries: all three countries have dropped their frontier fortifications along their common borders and opened those borders to free travel; Hungary and Austria have agreed to co-host the 1995 World's Fair in both Vienna and Budapest; Austria is already neutral and both Czechoslovakian and Hungarian government officials have professed neutrality as a goal; and finally, all three have professed a desire to join an economic community, in this case the EC: however, if the EC rejects their membership applications, moves have already begun to implement a regional
free trade agreement, ostensibly under the auspices of the EFTA. Any of these events taken singly would not signify a move towards Közötteuropa, but taken in total Közötteuropa must be perceived as a very real possibility, if not a probability. (See figure 8.)

This is not to imply that such a regional grouping is a forgone conclusion. As Eric Bourne stated in his editorial in the Christian Science Monitor:

"For some East Europeans, the Warsaw Pact still has a "stabilizing" potential. But it cannot prevent ultimate neutrality unless German unification took a wrong turn... or if Mr. Gorbachev were to lose out at home. If neither contretemps arises, ...Közötteuropa can become part of a wholly new face of Europe."

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1Miron Wolnicki describes this event as the most likely scenario for this portion of Europe; see Miron Wolnicki, "Avoiding the East European Question," Telos 81 (Fall 1989), 50.

VI. CONCLUSION

A. HUNGARY'S FUTURE

Events continue to move at a pace unimaginable only a few years ago. At the speed events are currently unfolding, Hungary will probably achieve its goal of neutrality shortly after the withdrawal of the last Soviet soldier. At that point, Hungary will revert to its traditional role in Central Europe. However, Hungary faces a hard road ahead. Economically it is better situated for the reform process than its neighbors because of its experience, but it still requires economic, social, and political reform.

The Hungarians have opened up their stock market, are allowing foreign investment and are privatizing their economy in a bid to implement a free market system. They must still deal with a massive foreign debt and an obsolete industrial base.

Socially, the Hungarians still suffer one of the highest suicide rates in Europe. This statistic will decrease in the future if the reforms work, but in the mean time Hungary must deal with high rates of divorce and abortion as well.

Politically the Hungarians have taken the initial steps. Economic reform could not work without a loosening of the political structure. There is, however, still a large communist following in Hungary. A backslide in the Soviet Union could possibly initiate an attempt to retake control. Such an event would almost certainly result in a major war throughout the region. Any attempt by the Soviets to reinstall the communists in power would, in all likelihood, be met by an organized and unified populace in armed resistance.
B. U.S. POLICIES

The failure of communism in Hungary, as in the rest of Eastern Europe, combined with the movement towards open, free, democratic societies, has fostered a hope that the United States can be counted on to provide economic and political assistance and know-how. Some believe that the United States has failed to meet these needs.8

The United States has begun a process which will assist the new countries of Central Europe. The first step, rightly taken by the Bush administration is to differentiate between the different countries. Hungary's problems are different, as are its needs, from that of its neighbors. A policy of differentiation will provide greater options to our foreign policy.

In regards to Hungary specifically, the United States has already promised some token financial assistance. The United States needs to develop a special relationship with each Central European country.

The U.S. has a particular interest in establishing such a relationship. First, Hungary offers a unique economic advantage to the U.S. Hungary has a good electronics industrial base on which to build. Joint ventures in this area could provide the Japanese with suitable western competition if the U.S. is willing to share technology. What Hungary needs, and desires, is the passage of knowledge. Exchange programs are being developed, but not fast enough. The United States should expand the exchange programs to all levels. Students should be encouraged to travel to Hungarian Universities as well as sponsoring Hungarian students to our own universities.

8Laszló Lengyel accuses the Bush administration of giving all its support to the creation of a Europe under German leadership in his article "Europe Through Hungarian Eyes," trans. George Schöpflin, International Affairs, Vol. 66, No. 2, April 1990, 297.
Second, if the EEC does turn into a Fortress Europa economically, Hungary could be one of the U.S.'s aces in the hole. A significant economic relationship could penetrate barriers raised by the West Europeans.

Also, there is a cultural advantage to increasing ties with the Hungarians. There are approximately 3 million Americans of Hungarian descent and only about 11 million Hungarians in Hungary. This places the U.S. in a very unique position to cultivate Hungary as a friend and possible ally of the U.S. in the region. The U.S. is also in a unique position to fill the vacuum left by the decline of the Soviet Union as the stabilizing factor in the region. Exchanges in both the civil and military sector should and must be promoted and expanded. Most Hungarians already have a fondness for America; that fondness should be nurtured.

The exchange program must include military-to-military exchanges. The Hungarian Army has professed a desire to learn how to defend a democracy. Hungarian officers should be invited to our academies and to our service schools. This is the best way to show them. Schools such as the Naval Postgraduate School are already well equipped to handle such a program since they already cater to numerous international students. In addition to scholastic exchanges, the exchange programs could also include pilot exchanges, air shows, etc.

The best options open to the United States for development of the relationship with Hungary at this point in time are really the cheapest. Do we really want to see a German-dominated Central Europe? By building our own individual (bilateral) relationships with countries such as Hungary, we add to European stability and to our own security.
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