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In the power arena

US–Hungarian relations 1942–1989

Between 1941 and 1989, Hungary's hand-tied politicians were at the mercy of the Great Powers and their struggle for hegemony in Europe. A study of US diplomatic documents shows the extent to which realpolitik determined US policy on Hungarian national independence.

Miklós Kállay's breakaway policy 1942–1944

American documents show that between 1941 and 1989 Hungary was at the mercy of the Great Powers and their struggle for hegemony in Europe. Hungary was far from being an independent actor on the international stage. The United States wanted European stability, and its manoeuvres in Eastern Europe sought this aim. Stability might be won by advancing the cause of national independence. Here, America might try to put an end to Soviet occupation. At other times, national sovereignty rubbed up against the need for stability, and the US accepted the status quo. Hungary had a say on minor issues of national interest, thus procuring resources abroad to sustain economic life and development, or supporting Hungarian minorities beyond its border. But national independence or sovereignty was clearly not in Hungary's gift. So when it comes to passing judgement on Hungarian foreign policy, we must consider whether its policymakers had the ability to acquire the same freedom to manoeuvre as other powers operating in the same sphere of influence.

Miklós Kállay's policy of breaking away from the Axis between 1942 and 1944 and United States war aims illustrate the relationship between national foreign policy, national interest and power politics. Conventional wisdom had it that Hungary's foreign policy hinged on breaking away from Germany in the Second World War.¹ The moral unacceptability of its German alliance and Hungary's attendant road to downfall fuelled the premise that sheer determination could have speeded up a breakaway, thereby improving Hungary's postwar position and buttressing the potential peace dividend — always assuming the Allies' motives were altruistic and converged around the international public good (Germany's defeat) and Hungary's best interests. But was a breakaway policy in fact in Hungary's national interest? The Americans and British had no intention of occupying the Danube valley. The Hungarian Foreign Ministry knew this in December 1943. And the Allies had promised nothing in return for Hungary's secret intelligence or a prospective breakaway from the Axis. Meanwhile, the grave threat of German occupation, in light of what happened to Italy, was a very real risk.²

As so often in Hungary's history, the Western-friendly Hungarian elite portrayed the country as the "protective bastion against bolshevism". This was

poor substitute for a foreign policy which must respond to external challenges. The US had never had interests in Central Europe. And its goals could only be formulated in negative terms: it was not in the US interest to see the country turn Bolshevik. American documents show that Hungary's possible breakaway policy was of interest to the US and Britain: the need to occupy Hungary (as well as Romania and Bulgaria) would mean the withdrawal of German troops facing a prospective Second Front and a landing in the West. The papers of Averell Harriman, US Ambassador to Moscow, reveal that Hitler's small allies were to be detached from the Axis in order to relieve the Western theatre of war: "The enemy will do its utmost to hold South East Europe... It should be possible to contain German forces in the Balkans. Germany's armed forces are dangerously overstretched by current operations and provided we can induce her to retain surplus forces in Scandinavia, Italy, the Balkans, she will find it difficult simultaneously to provide forces for Russia, France and the Low Countries. The attitude of the neutrals and the satellites may move further in favour of the Allies compelling Germany to dispose reserves to meet unfavourable developments." Moscow was well aware of the significance of detaching the satellites at the price of their German invasion: "Germany's 'victory' over its unfortunate allies does not in the final analysis solve Germany's difficulties, but on the contrary, increases them. Additional transfer of German troops to the territories of its occupied 'Allies' further weaken the already thin German reserves in the West. Thereby the possibilities for a blow at the common enemy from the West becomes more favourable."³

On November 2, 1943, William D. Leahy, on behalf of the Joint Chiefs of Staff, addressed a protocol to Freeman Matthews, head of the US State Department's Europe Office. "The Joint Chiefs of Staff", he wrote, "are of the opinion that from a military standpoint the Allied cause would be advanced by the withdrawal of either or both of these countries [Romanian and Hungary] from the war, regardless of whether or not such action would be likely to entail full German occupation of these countries."⁴ Allen Dulles, then the head of US intelligence based in Switzerland, received orders the next day from "Wild" Bill Donovan, OSS (the CIA's predecessor) chief to examine the possibility of Hungary leaving the Axis. Donovan insisted that Kállay and his regime had hitherto received equivocal guidance. But now, he told Dulles for his personal information, the chiefs of staff had approved severing Hungary and the other satellites from the Axis. Assistant Secretary of State Adolph Berle was briefed on the decision and informed his men accordingly.⁵ Secretary of State Hull sent a circular telegram on November 18 to American envoys in neutral states informing them about the new policy.

Ready to surrender

My research in the US revealed that the Hungarian leadership was ready to surrender to the western Allies. There was no insistence on bargaining. On December 18, 1943, Miklós Horthy Jr sent a letter to Berne stating that if the western Allies expected Hungary to capitulate, he would make sure that it happened. George Ghika, the Romanian diplomat who acted as an intermediary, also conveyed the message that Budapest only awaited the nod from the Allies.⁶ The US had no doubt about the sincerity of Kállay and his group. Their breakaway policy was based on the expectation of an Allied occupation and the avoidance of a German one. However, a genuine fear was that a separate peace would lead to a German invasion. Occupation by the western Allies, however, was not a realistic option. Even in the best of cases, the Danube valley could only be a secondary target.⁷ Washington and London had taken into account that should Hungary break away from the Axis it would

be occupied by the Germans. For military reasons, they would even go as far as provoking such an outcome regardless of the consequences. Although no causal relationship can be discerned between the negotiated British–American make–jump policy (supported also by Moscow) and the German occupation (March 19, 1944), it appears all but certain that Hitler's decision was influenced by the fear of a Hungarian breakaway.

The armistice conditions offered by the US in the event of Hungary's withdrawal from the war were more severe than those Hungary eventually agreed to in January 1945: indefinite occupation "administered by a military government supervised by the Allies," taking orders from an Allied or Soviet supreme commander; diplomatic relations to be supervised by the occupying authorities; and "occupied territories" to be vacated without any bearing on the final settlement of the future of the disputed areas in question.⁸

No responsible US official made any commitment at any time to giving Hungary favourable treatment in the event of a withdrawal from the war. Washington even refused to take into account Hungary's request to be classed among countries to be liberated rather than countries to be occupied, in return for secret intelligence and a possible withdrawal.

On September 14, 1943, a meeting took place in Lisbon between the US military attaché and Counsellor Sándor Hollán. Before the meeting, the US attaché consulted George F. Kennan, Washington's Minister in Lisbon, who was considered in the US as an authority on Soviet and German affairs. They agreed to meet Hollán on condition that he answered questions of a military and political nature and expected no promises from the US. Further, the issue of a Habsburg restoration must not be raised at all. Hollán stated that Hungary wanted to break away from the Axis as soon as possible and he implied that the Hungarian army was ready to cooperate with the Allied forces once they came into conceivable proximity.⁹

The policy of striking a separate peace with the western Allies, which brought the risk of German occupation — hence a major risk for Hungarians — did not promise the satisfaction of any other national goal such as retaining territories won, better conditions of surrender or the avoidance of Soviet occupation. The ultimate goal — and a national interest which time did nothing to change — was to avoid German occupation.

This was the goal that Miklós Kállay and his group kept at the forefront of their minds. Pushing for a breakaway policy should therefore not have been given absolute priority, despite strong pressure from the western Allies (though the race with Hungary's neighbours for a favourable position at the peace conference and the desire to avoid another Trianon mattered). As an alternative, a continued meeting of German economic demands could have been coupled with a policy of playing for time. Of course, it is not certain that a German occupation would have been avoided. But at least Hungarian foreign policy would have given an adequate response to the foreign policy challenges of a nearly hopeless era. Washington did, to some extent, sympathize with the Hungarian dilemma. As the Office of Strategic Services saw it, Kállay's dilemma was the following: Hungary has "but one hope of national survival: to strike some sort of a bargain with the Allies which will enable them to abandon the war and yet retain some measure of independence, and to do this neither too soon, to provoke German occupation nor too late, to exhaust Allied patience."¹⁰

The Americans quickly forgot all about the absence of a Hungarian breakaway policy. They did not resent Hungary for failing to take such a suicidal step, but they did censure the country for assistance in the deportations.

The Hungarian question in the United Nations 1957–1963

It is not always a drawback if a Great Power manages to impose its will on a small country. Take, for instance, Hungarian–US relations from 1957 to 1963. The UN had proven itself incapable of preventing the Soviet invasion of November 4, 1956. Nor had it been able to curb retaliation. But they did have the opportunity to pressure the Kádár regime into easing the situation at home. On November 8, 1956, the mandate inspection committee of the UN, prompted by the US, proposed that the decision on granting Hungarian credentials should be postponed. This was accepted by the Assembly. Moreover, on January 10, 1957, a five-member committee was set up to study the Hungarian question and to ensure that UN observers were allowed to enter Hungary.

All this questioned the international sovereignty of the Hungarian government and Kádár put efforts to resolve this troubling situation at the centre of his foreign policy. Washington demanded a high price, however: stop prosecuting fifty–sixers and proclaim an amnesty for revolutionary activities.¹¹ The Kádár regime eventually gave in and announced the amnesty (1963) — later seen as a historical milestone — in response to American pressure, in the interest of taking the Hungarian question off the agenda. This can be regarded as US diplomacy's first success behind the Iron Curtain.

On February 21, 1961 officials of the US State Department urged the United States' UN mission to dispense with the Hungarian question as quickly as possible so that the United States could build contacts with the Hungarian people. A way had to be found of closing the Hungarian problem at the UN's 15th General Assembly.¹² The backdrop to this turn of events was the Kennedy administration's promotion of "peaceful engagement" with Eastern Europe, which replaced the previous policy of isolation. But, if truth be told, interest in the Hungarian question had waned as well.

The Hungarian leadership had hoped that Washington would remove the Hungarian issue from the UN agenda in return for resolving the situation of Cardinal József Mindszenty, who had sought refuge at the US Legation on November 4, 1956. But hope was in vain. In April 1961 Hungary was told that no settlement in Hungarian–US relations was on offer without a "satisfactory solution" to the Hungarian question. On August 3, Deputy Secretary of State Richard H. Davis read out a note to the Hungarian Chargé d'Affaires Károly Hackler, in which he conveyed the US "desire" that a planned visit to Hungary by Frederick Boland, the president of the UN Assembly, should result in a general amnesty which would mean freeing all political prisoners. Davis hinted that should there be a favourable response the Hungarian question might be dropped. On the orders of State Secretary Dean Rusk, the Hungarians were informed that they must take considerable and tangible steps in order to improve their situation in the UN and to solve the Hungarian question. An amnesty for those imprisoned due to the events of 1956 would substantially contribute to this aim. They tried to make it sound less like conditions and more like "genuine, realistic proposals".¹³ However, the Hungarian leadership, caught in a vice, did not jump at the opportunity: Kádár considered the proposal to be interference in Hungary's domestic politics. Soviet–US tension, which had risen on the back of the Cuban crisis, may have contributed to the

fact that no steps were taken. Then Washington began to support the discussion of the Hungarian question at the UN with new zeal, as this was a way of putting pressure on Moscow. When in 1962 János Radványi, the Washington chargé d'affaires, tried to convince Chester Bowles, the president's special envoy, that a general amnesty was Hungary's internal affair, Bowles insisted that "1956 is not an internal problem".¹⁴ Rusk said it was only after an amnesty for fifty–sixers that any US–Hungarian negotiations could take place, followed by an exchange of envoys and their elevation to the ambassadorial rank.¹⁵

Moving out of deadlock

Kádár now indicated that Hungary was interested in normalizing bilateral relations as a part of his agenda to open up Hungary to the West. In January 1962, the State Department again insisted that Hungarian–US relations could only be settled, and Hungary's position in the UN resolved positively, if Hungary changed its domestic policy in a way that persuaded US legislators and the general public. The State Department considered an announcement that no one is imprisoned any longer in connection with 1956¹⁶ to be something that carried the necessary weight.

After the Kádár government's 1960 partial amnesty such a feat appeared a little less impossible. There is no doubt, however, that the US proposal, which they later tried to pass as advice, would have infringed sovereignty had Hungary been a sovereign state. Deputy Foreign Minister Péter Mőd, addressing the UN, accused the Americans of setting amnesty as a condition to improving relations between the two countries. US diplomacy hastened to reply that it was a misunderstanding on the Hungarian government's part to interpret the amnesty as a condition, as that would have meant interfering with Hungary's domestic affairs.

Looking for a way out, the State Department declared there was need for "some kind of measure of a theatrical nature, but it did not dare to use the word amnesty, as that would have been regarded as intrusion into Hungary's domestic affairs." Assistant Secretary of State for Political Affairs George C. McGhee confirmed that the Hungarian government must make a gesture which clearly documented that the events of 1956 were to be "regarded closed once and for all." He added that on the Americans' part, this was "not a condition or a request, but a suggestion."¹⁷

To avoid any further misunderstanding, the Washington chargé d'affaires, János Radványi, mentioned the original English "suggestion" yet he described the American statement as interference in domestic affairs. At the same time, however, he recognized that Hungarian foreign policy was not flush with choices. The Foreign Ministry took "a deliberating stance."¹⁸ This time the US took the initiative. At informal talks with Dénes Polgár, the Washington correspondent of MTI, the Hungarian news agency, they repeated their earlier position. After a "self–initiated" amnesty, they would remove the Hungarian question from the UN agenda and would, for general satisfaction, resolve such questions as establishing commercial and cultural ties and the Mindszenty issue. At the same time, as if they had read the mind of Hungarian leadership, the State Department warned that normalization was only possible if the US took the Hungarian issue off the agenda. Should the problem somehow "wane" in the UN, this would not happen. They also made it clear that Hungary must make the next move.¹⁹ In response, the Foreign Ministry indicated that Hungary was ready to take any step of a domestic political nature in order to

improve its situation in the UN, and it would meet US conditions for improving relations. It admitted that "psychologically, Hungary cannot afford to sacrifice its pride and self-esteem by giving in to pressure". It went on to say that the Americans were mistaken if they thought that the Soviet Union continued to have a decisive influence on the politics of its allies — the decision regarding the amnesty was in the hands of the Hungarian leadership.²⁰ Contrary to this, the US minister believed that Hungary's independence was at best nominal, and Kádár, referred to as a successful funambulist, had little leeway. In line with a resolution by the Political Committee of the Hungarian Socialist Workers' Party, Radványi got orders to start putting out feelers after consultations with Anatoly Dobrinin, the Soviet ambassador to Washington. Dobrinin agreed with the principle and practice of the procedure.²¹

Steps towards a settlement

In August 1962, a group of Hungarian émigrés protested against what they thought was the Americans' decision to take the Hungarian question off the agenda.²² Austrian Foreign Minister Bruno Kreisky tried to convince State Secretary Rusk that the Hungarians were ready to take action if no external pressure was applied.²³ Harold Vedeler, head of the Division of Eastern European Affairs at the State Department, told Chargé d'Affaires Radványi that if the Hungarian government implements the amnesty, the Americans will take steps to remove the Hungarian question. Deputy Secretary of State Richard H. Davis handed over "a written document" — which was pointedly not a diplomatic note — stating the US conditions. In order to prevent the appearance of an intrusion in domestic affairs, the insistence on an amnesty was worded as a hope that the Hungarian government, on its own initiative, will free any persons who would still be imprisoned in Hungary because of their participation in the events of 1956, and that they will make this public. If this was the case, Washington would support the elimination of Hungary's unfavourable situation in the UN. At the same time, the US would issue a statement calling attention to the change of situation in Hungary, and would confirm that further discussion of the Hungarian question did not aid progress. Davis handed Radványi the document for "his own perusal" as the "text of the official statement". At his government's request, he in turn showed the document to Dobrinin, who conveyed his "personal opinion" that if Hungary "has already made a decision to take certain steps in domestic politics, we [the Soviet Union] can only agree".²⁴ Khrushchev told Kádár that he did not think the American wording unacceptable,²⁵ and, later, at the Eighth Congress of the Hungarian Socialist Workers' Party, it was announced that 95 per cent of people convicted for "counter-revolutionary crimes" were already out of prison. However, the Americans were not satisfied. At the end of November, Harold Vedeler travelled to Budapest to hold talks with foreign affairs officials. There it was explained that, as a small country, Hungary would suffer difficulties if it gave the appearance of surrendering to external pressure. At the same time, the Hungarians signalled that they understood the situation, and added, in reference to a remark by Kádár, that the Presidential Council would review the cases of the remaining five per cent of political prisoners.²⁶ Péter Mód said that his government was working on the issue of amnesty, which, in the end, they declared in March 1963.²⁷

However, Washington still deemed the steps taken by the Hungarian leadership to be insufficient. It declared the controversial mission of UN Special Envoy Sir Leslie Munro as completed and referred his duties back to the authority of the UN General Secretary. But it still proposed withholding approval of Hungary's credentials. This almost entirely bypassed the mandate

examining commission — the case rested on the Greek delegate passing it against his government's orders — and thus the Hungarian credentials were "only" passed on for approval at a UN extraordinary assembly in May. The Hungarian question was taken off the agenda at the end of the year.

The 1970s: US loans

At the beginning of the 1960s, first the Kennedy and then, more pointedly, the Johnson administration declared the earlier general policy of undermining Eastern–European regimes to have been a mistake. By then US policy was not aiming to topple or destabilize these regimes but to consolidate them. The aim, just as in the 1950s, was to strengthen European security, on the understanding that the Soviet Union would continue its presence in Eastern Europe.

From the mid–1960s it appears that the Soviet occupation of Eastern Europe was no longer regarded as running contrary to European stability. What is more, it was said that a post–Soviet Eastern Europe would be more likely to destabilize the continent due to the fear of the return of German influence and the potential re–emergence of nationalist conflicts between some of the states. The State Department believed that Eastern Europe could be a source of danger: "Unbridled nationalism in Eastern Europe might lead to possible renewal of the patterns of conflict that made the area such a cockpit prior to *pax communista*. This potential is evident in the complex of latent and potentially dangerous territorial and minority issues in the area." It was raised that the reunification of the continent was not necessarily desirable, as "the futile past could return".²⁸

From the 1970s, US diplomats started saying more frequently that the United States did not want to disrupt the relationship between the satellite states and the Soviet Union. In 1971, US Ambassador in Budapest Alfred Puhán told American émigrés that Hungary's only hope of freedom was change in the Soviet Union itself. Furthermore, in the 1970s they were already talking about changes needed in the nature of Soviet occupation to avoid a third world war. "Our policy must aim at a Finlandization of Eastern Europe," Helmut Sonnenfeldt, the advisor in Eastern European affairs to the Nixon administration, said in the mid–1970s. One example he mentioned was the Polish–Soviet *modus vivendi* and Hungary, where Kádár "has found ways which are acceptable to the Soviet Union, correspond with the natural strivings of the people, grow Hungarian roots."²⁹ Stability and the restoration of national independence had by then become mutually exclusive conditions. However, politics is not decided at the drawing table. Some aspects of the bridging policy proclaimed by Johnson and then Nixon — loans and cultural ties — were, like it or not, undermining the foundations of the Hungarian regime. From the middle of the 1990s economic relations between the US and Hungary were developing fast. From Hungary's point of view, the US's role as a lender was crucial. In the end, however, this is what created the Kádár regime's debt trap, which eventually led to its end. Officially, the aim of the lending policy was to transform the command economy, but its undesired consequence became Hungary's bankruptcy.

At the expense of domestic political reforms, Kádár secured foreign loans necessary to keep the system ticking: in the 1970s, the State Department believed that Hungarian reforms served "the national interests" of the US. Initially they tried to keep the consequences of the American open–doors policy in check, but the machine, slowly setting into motion, was hard to control. Normalization of relations with the US was unavoidable if Kádár's

economic reform was to succeed, as this was the gateway to international capital markets, products and technologies. János Fekete, Vice President of the National Bank of Hungary, said in 1975 that US banks were taking on ever larger roles in financing Hungary's imports and lending operations despite existing limitations. Besides the oil-producing Arab states, Hungary regarded the United States as "one of its main creditors, with a growing importance" on money markets "prone to suffer restrictions".³⁰ This is why closer economic relations were sought. But this could not be achieved in isolation: American cultural penetration had to be let in alongside American capital. Because of the great need for foreign loans the time had come for the Communist regime to lay aside its reservations and make a truce with the Americans for the sake of most favoured nation treatment (1978).

Repatriation of the Holy Crown January 5, 1978

In 1945 the Crown Guard prevented Hungary's Holy Crown from being seized by the Soviets by taking it out of the country and handing it over to US occupying forces in Austria. Its return was demanded as early as August 1946. However, US Minister Arthur Schoenfeld was told that Prime Minister Ferenc Nagy would prefer the regalia to be temporarily left in US care. He was fearful of what the attitude of the Allied Control Commission headed by the Soviet Union might be and was alarmed by press reports that Czechoslovakia demanded the crown jewels be placed in a "UN museum". After the Communist takeover, the Foreign Ministry officially requested the Holy Crown's repatriation, but the Americans said they would not negotiate a return, and even refused to place it in the hands of the Vatican.

The Crown's situation came up again with the release of a US businessman, Robert Vogeler, who was arrested in 1949. The Americans said the crown jewels were not a bargaining chip as they were not removed by force from Hungary but given to the American authorities for safekeeping, and they are being kept as a special-status property. In Hungary's view, the Crown was the property of the Hungarian state so no one may entrust it to anybody nor can anyone exercise custody over it against the will of the People's Republic of Hungary".³¹

Domestic politics too had their part to play in the fact that the Americans refused to move from their entrenched position. Not only some US Hungarian émigré groups, but Americans of Eastern-European origin also vehemently opposed handing the Holy Crown to the Kádár regime arguing that this act would legitimize the Communist system. In an article published on April 14, 1970, *The New York Times* broached the subject, claiming that the day was perhaps near when Washington would find an opportunity for returning Hungary's national treasure. The article created a huge uproar in Congress and the State Department was forced to reassure Béla Varga, former parliamentary speaker, that they had no plans at the moment to return the Crown.³²

Cardinal József Mindszenty, who meanwhile regained his freedom, kept the crown affair on the agenda. On October 26, 1972, he wrote a letter to President Nixon (with a copy sent to Secretary of State Kissinger), expressing concern over the possible return of the Crown to Hungary ("to these followers of Satan") and he proposed that it and the regalia should be turned over to the Vatican. The State Department reassured the Cardinal that the Crown's return was not on the agenda, but it also left no doubt that, "as the property of the Hungarian nation" it could only be repatriated to Hungary.

In an official communiqué dated March 16, 1973, the State Department, contrary to its earlier position, said the return of the Crown depended on a general improvement in Hungarian–US relations.³³ This meant that the problem could no longer be swept under the carpet and the US government must sooner or later take a stance. In 1975, the year of the signing of the Helsinki Treaty and the peak of the thaw, the US Embassy in Budapest considered the time ripe for reviewing the Crown's status. The initiative was in some ways "grass-roots", as it was the staff of the embassy who reported on the changes in Hungarian domestic politics from the closest angle, including the possible response to them. Some American Ambassadors in Budapest, mainly Alfred Puhan and Philip Kaiser, were sympathetic, not only to the country, but to some extent to the reform wing of the leadership as well, and they urged the return of the regalia.

New Eastern–Europe policy

The Carter administration's renewed Eastern–Europe policy (1977) gave a new lift to the course of events. Washington redefined as its Eastern–European interest the forging of long–term relations between the West and the region, along with the improvement in the situation of the local community. In addition, they wished to limit the Soviet Union's ability to use the region to serve adverse aims.³⁴ Congress was divided on the issue, but the legislators siding with repatriation were not only more numerous but also had more influence than those opposing it. The position of the State Department had become clear by 1977. In the view of William Luers, the assistant secretary of state for Europe, if the United States could do nothing else to help Hungary, the least it could do was to return the Crown.³⁵ The decision was all the easier to make after Ferenc Nagy sided with repatriation, too.³⁶

At a meeting convened by President Carter on July 15, 1977, the President himself decided in favour of repatriation, despite the fact that, in his words, the Pope "had not felt the time was ripe".³⁷ Secretary of State Cyrus Vance justified the decision by emphasizing that Hungary had made every effort to settle its debts, bilateral trade had flourished and the two countries had signed an agreement on cultural and scientific cooperation. Media coverage of the US was satisfactory and leading Hungarian politicians received embassy officials regularly: in most cases, earlier problems had been resolved. Although the Kádár regime could not be called democratic, in the areas of human rights, cultural pluralism and socialist welfare, it was far ahead of other Warsaw Pact states. The same could be said, at least according to Vance, of church–state relations. What is more, the Hungarian Catholic Church had pledged support for the repatriation of the Crown (though the political pressure applied was a question not dwelt on).³⁸

Finally Carter, in July 1977, told Helmut Schmidt, the West Germany Chancellor — who had met with János Kádár just a few days before — that despite "domestic political difficulties", protest from US Hungarian émigrés and "other sympathizing circles", the Holy Crown was to be returned to Hungary. It was bruited about that Carter had even planned to invite Kádár to Washington.³⁹

After the July 15 decision it seemed that the handover ceremony could take place before the opening of the Belgrade Conference (September 15, 1977). At least this is what Cyrus Vance had proposed to the President, so that the good news could be delivered to the Hungarians with the presentation of credentials by the newly appointed ambassador, Philip Kaiser. The Secretary of State

argued that the Hungarians had accepted all the conditions set by the US: "all segments of society" should be invited to attend the handover ceremony and the Crown should be on public display and treated with the "respect" it deserved.⁴⁰ But Pál Losonczi, the Chairman of the Presidential Council, unexpectedly received Kaiser already on August 4, a week earlier than expected. By that date, the President had not yet accepted Vance's proposal on a final approval, despite the Ambassador's nudging.⁴¹ On August 17, Kaiser was informed that Carter — on the counsel of his National Security Advisor Brzezinski — had postponed or even withdrawn the final decision, so that the question could be examined as a whole in the context of the United States' Eastern Europe strategy. Thus Kaiser was given the sensitive diplomatic task of putting out feelers at the very highest level — without being able to make any promises for the repatriation — as to what the Hungarian leadership had in mind in the way of displaying the Crown.⁴²

In line with his mission, Philip Kaiser told János Nagy, deputy minister for foreign affairs, on August 18 that "the affair has reached the final stage of decision-making". Kaiser outlined the conditions of — the officially still unapproved — repatriation. The receiving delegation must reflect the fact that "the Crown is returned to the Hungarian people by the American people". Further, referring to the US domestic situation, the Hungarians must declare in what manner they planned to display it and the regalia making them accessible to the public.⁴³ Hungary assumed full responsibility in this respect. Ambassador Kaiser received a statement from Nagy that Budapest "will give the Crown the dignified reception it deserves as a national relic" and that all strata of Hungarian society would welcome the repatriation of the Crown to Hungary". The final decision on returning the Crown came on September 13, with the sole condition that it should be put on public display.⁴⁴ Secretary of State Vance conveyed the news to Foreign Minister Frigyes Puja at a session of the UN on October 1. The only remaining question was "when and how" the handover should take place. Vance asked his Hungarian colleague to keep the decision secret.⁴⁵

The decision to return the Crown was officially announced in Washington on November 4, 1977, on the anniversary of the Soviet army's return to crush the 1956 Revolution. The announcement was made on this sad day because the congressional representative for Cleveland, Mary Oaker, an outspoken opponent of returning the Crown to Hungary, got wind of it and protested in an open letter to the President that day.⁴⁶ In the meantime, the negotiations on the details got under way between Kaiser and Nagy. On December 16 they issued a joint statement. It did not include a set date and the Hungarian party leadership probably banned its publication out of caution. On January 5, 1978, the Crown returned to Hungarian soil. A 200-member 'organized crowd' attended the reception ceremony where Hungarian Church leaders were also present. Kádár himself did not wish to attend, though the Americans had also asked him to stay away. Negotiations continued until the very last minute. Washington wanted to include a clause saying the Crown cannot be taken to Moscow. Although based on a Hungarian-US agreement, journalists were free to report the events, the reporters of media declared to be "fascist" by the top leadership of the Hungarian Socialist Workers' Party were denied an entry visa. The domestic press received guidance, which prescribed that the United States could not be blamed for being late in repatriating the Crown, but should not stress the event's importance. They gave specific instructions as to the space which each daily newspaper could give to the item.⁴⁷

The Holy Crown, symbolic of Hungary's thousand-year past, became a museum exhibit. Its repatriation was a signal that the United States had acknowledged the realities of Europe's power structure.

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- ¹ Gyula Juhász ed., *Magyar–brit titkos tárgyalások 1943–ban* [1943 Secret Negotiations Between Hungary and the UK]. Budapest: Kossuth, 1978; Péter Sipos and István Vida, "The Policy of the United States towards Hungary During the Second World War". *Acta Historica Academiae Scientiarum Hungaricae* 29 (1989) 1. pp. 79–110.
 - ² On the issue whether leaving the Axis was in the national interest, see András Joó, *Kállay Miklós külpolitikája — Magyarország és a háborús diplomácia 1942–1944* [Kállay's Foreign Policy — Hungary and Wartime Diplomacy 1942–1944]. Budapest: Napvilág, 2008.
 - ³ "Overall Deception Policy for War with Germany", n. d. [December 1943]. Library of Congress, Averell Harriman Papers, Box 171.
 - ⁴ Quoted in: Memorandum by Cordell Hull to Admiral William Leahy, March 16, 1944. NARA, RG 218 JCS, Geographical Files 42–45, Box 191. A brief reference in Sipos–Vida, op. cit. p. 90.
 - ⁵ Memorandum for Allen Dulles, November 3 [1943]. Allen Dulles Papers, Seely Mudd Library, Princeton, PDF file, 1943021100003537.
 - ⁶ Memorandum by Jackson to Dulles, December 18, 1943. Allen Dulles Papers, Seely Mudd Library, Princeton.
 - ⁷ The First Plenary Meeting, November 28, 1943. Bohlen's note. *Foreign Relations of the United States* (FRUS), The Conferences at Cairo and Teheran, 1943, p. 493.
 - ⁸ "Provisions for Imposition upon Hungary at Time of Surrender Approved by JCS for Communication to EAC," February 1944. NARA, RG 218 JCS Geographical Files 42–45, Box 191.
 - ⁹ Memorandum for Brigadier General Hayes E. Kramer Chief, MIS, The Pentagon, September 14, 1943. NARA, General Records of the State Department, Central Files 1940–1944, European War, Box 2956.
 - ¹⁰ "Implementation Study for Overall Special Programs for Strategic Services in the Balkans as They Pertain to Hungary," OSS Planning Group, December 31, 1943. NARA, RG 226 OSS, Entry 144, Box 30.
 - ¹¹ For further details see László Borhi, *Magyar–amerikai kapcsolatok 1945–1989* [Hungarian–American Relations, 1945–1989]. Budapest: Institute of History of the Hungarian Academy of Sciences, 2009, pp. 70–96.
 - ¹² "The US and East–West Relations in Europe". Memorandum by the Department of State, August 3, 1963. NARA, RG 59 Records of the Department of State, Ernest K. Lindley Files 1961–1969, Lot File 71D273, Box 4.
 - ¹³ See János Radványi, *Hungary and the Superpowers: The 1956 Revolution and Realpolitik*. Stanford, Calif.: Stanford University Press, Hoover Institution Press, 1972, pp. 84–86; Tamás Magyarics, "Az Egyesült Államok és Magyarország, 1957–1967 [The United States and Hungary, 1957–1967]". *Századok*, vol. 130, no. 3. (1996), p. 583.
 - ¹⁴ Memorandum of Conversation, June 13, 1963. Participants: Chester Bowles, János Radványi, NARA, RG 59 Records of the Department of State, Hungary 1960–1963, Political Relations Between the US and Hungary 1960–1963, microfilm, roll 93.
 - ¹⁵ Telegram by Secretary of State Rusk, August 1962. Ibid.
 - ¹⁶ Tibor Zádor's report to János Péter about the invitation of American Foreign Service Officials, January 23, 1962. MOL, Küm, USA tük, XIX–J–1–j, 15, 5/e, 001234.
 - ¹⁷ Memorandum of Conversation, April 26, 1962. Participants: Radványi, McGhee, McKisson. NARA, RG 59 Records of the Department of State, Political Relations Between Hungary and the United States, microfilm, reel 93.
 - ¹⁸ Pál Rácz to János Radványi, Conversation with McGhee, May 24, 1962. MOL, Küm, XIX–J–1–j, Box 15, 5/e, 005115.
 - ¹⁹ Dénes Polgár's note, May 21, 1962 and János Radványi's report, May 25, 1962. MOL, Küm, USA tük, XIX–J–1–j, Box 15, 5/e, 005413. The American Foreign Service used Dénes Polgár as an alternative channel of communication to the Hungarian leadership. In a submission related to normalization the Political Committee referred to a report by Polgár. It can therefore be presumed that they wished to use Polgár to circumvent the Foreign Ministry.
 - ²⁰ The American Legation in Budapest to the Secretary of State, May 31, 1962. NARA, RG 59, Records of the Department of State, Political Relations between Hungary and the United States, 611.64, 1960–63, microfilm, roll 93.

- 21 János Radványi's précis for Foreign Minister János Péter, September 11, 1962. MOL, Küm, XIX–J–1–j, USA tük, Box 6, 001224/6.
- 22 Telegram from New York to the Secretary of State, May 15, 1962. NARA, RG 59, Records of the Department of State, Internal Affairs of Hungary 1960–1963, microfilm, roll 2.
- 23 Memorandum of Conversation, September 26, 1962. Participants: Kreisky, Rusk. NARA, RG 59, Records of the Department of State, Internal Affairs of Hungary 1960–1963, microfilm, roll 2.
- 24 Memorandum by the State Department related to the Hungarian question and the amnesty, October 20, 1962. MOL, Küm, XIX–J–1–j, USA tük, 4/bd, Box 6. A report by Chargé d'Affaires János Radványi with reference to the State Department memorandum, November 7, 1962, loc. cit. 001224/8/1962.
- 25 Radványi, *Hungary and the Superpowers*, op. cit., pp. 140–141.
- 26 The American Legation in Hungary to the Secretary of State, November 24, 1962. NARA, RG 59, Records of the Department of State, Political Relations between Hungary and the United States, 611.64, 1960–63, microfilm, reel 93.
- 27 Radványi's report to János Péter, December 21, 1962. MOL, Küm, XIX–J–1–j, USA tük, Box 6, 00598.
- 28 "Bridgebuilding in Eastern Europe", July 31, 1964, NARA RG 59 Records of the Department of State, Lindley Files, Lot File 71D273, Box 4.
- 29 Note by the International Political Relations Division of the Foreign Ministry, April 29, 1976. MOL, Küm, XIX–J–1–j, USA tük, Box 18, 1–002878/5–1976.
- 30 Ibid.
- 31 The Hungarian Holy Crown, memorandum drafted by A. C. Klay, n. d. (1977), MOL, XXXII–17, Box 3.
- 32 Memorandum of Conversation, March 21, 1970. Participants: Béla Varga, Lady Malcolm Douglas–Hamilton, Emory C. Swank, Robert McKisson, John R. Vought. MOL, XXXII–17, Box 2.
- 33 Tibor Glant, *A Szent Korona amerikai kalandja* [The American Adventure of the Holy Crown]. Debrecen: Kossuth Lajos University, 1997, p. 67.
- 34 Memorandum by Secretary of State Cyrus Vance for the President on Strengthening Relations with Hungary, n. d. (1977), MOL, XXXII–17, Box 2.
- 35 Personal communication by Thomas Simons.
- 36 The Secretary of State (Vance) to the American Embassy in Rome (Lodge), May 1977. Suggestions for Conversation with Casaroli. MOL, XXXII–17, Box 2.
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- 38 Memorandum by the Secretary of State to the President on Strengthening Relations with Hungary, n. d. (1977), MOL, XXXII–17, Box 2.
- 39 Reports on negotiations with Manfred Schüler, head of the German Federal Chancellery, July 25, 1977. MOL, Küm, XIX–J–1–j, USA tük, Box 19, 10–001100/8–1977.
- 40 Memorandum by Vance to President Carter, July 27, 1977. MOL, XXXII–17, Box 2.
- 41 The State Department to the US Ambassador, n. d. (August 3, 1977), MOL, XXXII–17, Box 2; The U.S. Ambassador (Kaiser) to the Secretary of State (Vance), August 3, 1977, loc. cit.
- 42 Telegram by Nimetz to the U.S. Ambassador, August 17, 1977. MOL, XXXII–17, Box 2.
- 43 Memorandum on Ambassador Kaiser's call on János Nagy. MOL, Küm, XIX–J–1–j, USA tük, Box 19, 10–001100/10–1977. See also Glant, *A Szent Korona amerikai kalandja*, op. cit., p. 82.
- 44 Memorandum by Vest to the Deputy Secretary of State through Nimetz, October 11, 1977. MOL, XXXII–17, Box 2; Glant, *A Szent Korona amerikai kalandja*, op. cit., pp. 75–76.
- 45 Note on the meeting between Foreign Minister Puja and State Secretary Vance, October 4, 1977. Glant, *A Szent Korona amerikai kalandja*, op. cit., p. 83.
- 46 Glant, *A Szent Korona amerikai kalandja*, op. cit., p. 85.
- 47 Minutes of the December 13, 1977 meeting of the Political Committee and the Foreign Minister's submission to the Political Committee, December 9, 1977. MOL, 288. f., 5. cs., 733. óe.

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