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NSC 5616

October 31, 1956



NATIONAL SECURITY COUNCIL

U. S. POLICY TOWARD DEVELOPMENTS
IN POLAND AND HUNGARY

DECLASSIFIED
WITH DELETIONS
NSC Case 87-625 NNFJ 87-54
By Y274 NPA 8-8-88

~~SECRET~~

October 31, 1956

NOTE BY THE EXECUTIVE SECRETARY
to the
NATIONAL SECURITY COUNCIL
on
U. S. POLICY TOWARD DEVELOPMENTS
IN POLAND AND HUNGARY

References: A. NSC 5608/1
B. NSC 5607
C. NSC Action No. 1623
D. SNIE 12-2-56

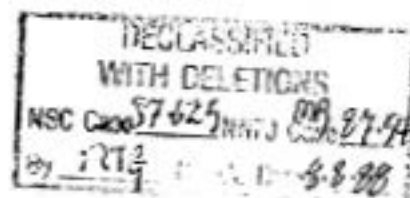
The enclosed draft statement of policy on the subject, prepared by the NSC Planning Board pursuant to NSC Action No. 1623-b, is transmitted herewith for consideration by the National Security Council at its meeting on Thursday, November 1, 1956.

Also enclosed for the information of the Council are an Annex A, containing statements on the subject by the President and the Secretary of State, and an Annex B, prepared by the International Cooperation Administration, summarizing limitations on U. S. assistance to Poland and Hungary. SNIE 12-2-56, "Probable Developments in East Europe and Implications for Soviet Policy", is being distributed separately. Advance copies of this estimate are available as an attachment to a memorandum for the NSC Planning Board on U. S. policy toward developments in Poland and Hungary, dated October 30, 1956.

It is recommended that, if the Council adopts the enclosed statement of policy, it be submitted to the President with the recommendation that he approve it, direct its implementation by all appropriate executive departments and agencies of the U. S. Government, and designate the Operations Coordinating Board as the coordinating agency.

JAMES S. LAY, JR.
Executive Secretary

cc: The Secretary of the Treasury
The Attorney General
The Special Assistant to the President
for Disarmament
The Director, Bureau of the Budget
The Chairman, Joint Chiefs of Staff
The Director of Central Intelligence



DRAFT

U. S. POLICY ON DEVELOPMENTS
IN POLAND AND HUNGARY

GENERAL CONSIDERATIONS

1. Events of great magnitude in Poland and Hungary necessitate an appraisal of the situation and consideration of current U. S. policies, objectives, and courses of action toward those countries. Our initial objective toward the Eastern European satellite area has been to encourage, as a first step toward eventual full national independence and freedom, the emergence of "national" communist governments. While these governments might continue to be in close political and military alliance with the Soviet Union, they would be able to exercise to a much greater degree than in the past independent authority and control in the direction of their own affairs, primarily confined in the first stage to their internal affairs.

Poland

2. Developments in Poland appear favorable to the early attainment of this objective. The Gomulka Government has proclaimed its "national independence and equality" and has asserted its right to pursue its own internal road to "socialism".

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At the same time it has declared continued loyalty to its alliance with the USSR and, though requesting the retirement of Soviet armed forces to their usual stations, has declared Soviet troops must remain in Poland and East Germany.

3. In Poland, as in Hungary, recent developments have revealed the strong anti-Russian and anti-communist sentiments of the population. Unlike Hungary, the existence of strong leadership in Poland at a critical moment, fear of a reunified Germany with irredentist claims, and the timely promise of reforms, together with an assertion of "national independence" linked with a closely calculated defiance of Russian pressure, evidently has served to enable a reconstituted Polish communist government to set forth on its new course with the acquiescence, if not support, of the majority of Poles.

4. The United States has already indicated directly to the new Government that a Polish request for economic assistance, particularly for wheat or other surplus commodities, would be given sympathetic study. Severe legal and administrative limits are imposed on such assistance.* On the other hand, opportunities exist for materially aiding Poland (and possibly Hungary) in the general area of trade with the free world.

Hungary

5. Developments in Hungary have differed significantly from those in Poland. In Hungary, a nationalist movement, similar to that in Poland, was triggered into national revolt by the intervention of Soviet troops called in by the Hungarian

*See Annex B.

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Government in the first hours of its difficulty. The demands of the people on the government have since gone far beyond those originally sought and are now anti-communist as well as anti-Soviet.

6. The situation in Hungary is still fluid and the outcome is difficult to foresee. The Nagy Government, already compromised by the fact of Soviet intervention, is seeking to restore its authority over the country by appearing to accede to many of the demands made upon it. Soviet forces are still in Hungary and the Soviet press has asserted that they are legally there under the terms of the Warsaw Pact. At the request of France, the United Kingdom and the United States, the Hungarian situation has been brought before the UN Security Council under Article 34.

7. In the immediate situation, two courses are open to the United States: (1) The mobilization of pressure, through such means as the UN and public appeals, to inhibit the Soviet Union from further armed intervention and to prevent the use of harsh measures of repression and retaliation, while at the same time extending assistance in the form of medical supplies and food to alleviate the sufferings of the Hungarian population. (2) A course of action ranging from immediate covert support of the rebels; through open recognition of their belligerent status; to overt military support and recognition of their government if one be formed

and succeeds in holding a portion of the country. A third immediate course of action is open under which the United States endeavors to facilitate the complete withdrawal of Soviet armed forces from Hungary and the development of a Hungarian government broadly based on Hungarian public support with an independent sovereign status not allied to either the West or the East in a manner similar to the establishment of Austria.^{7*}

POLICY CONCLUSIONS

8. In the present situation, the Basic Objectives of NSC 5608/1 of July 13, 1956 remain valid. However, in the light of developments in Poland and Hungary, certain tentative conclusions may now be drawn and certain courses of action can be taken to advance U. S. policies and objectives toward the satellite area.

9. The participation of Soviet troops at the "invitation" of the Hungarian Government in fighting the Hungarian population, and the near intervention of Soviet forces in Poland, illustrate that, at least in those countries where Soviet troops are stationed, the Soviet Union is willing to use its armed forces to prevent the coming into power of a non-communist government, or to prevent a communist government from altering a policy of close military and political alliance with the USSR.

* Disarmament proposal.

10. Moscow is apparently willing to accept, however reluctantly, a communist government, which, while remaining loyal to its military and political alliance with the USSR, asserts its "national independence" and its right to pursue its own internal road to communism.

11. It seems unlikely that U. S. action short of overt military intervention or obvious preparation for such intervention would lead the USSR deliberately to take steps which it believed would materially increase the risk of general war. Soviet suspicions of U. S. policy and present circumstances which involve Soviet troop movements and alerts probably increase the likelihood of a series of actions and counter-actions leading inadvertently to war.

12. Actions taken by the United States and other friendly governments in the present situation should strive to aid and encourage forces in the satellites moving toward U. S. objectives without provoking counter-action which would result in the suppression of "liberalizing" influences.

13. The events in Poland and Hungary have revealed to both the Soviet Union and the rest of the world how much the maintenance of Soviet control in East Germany and Eastern Europe depends upon the presence of Soviet forces in this area. These events represent a serious defeat for Soviet policy, and may cause the Soviet Union to reappraise the value of continuing its control through the presence of its forces in the light of the increasing costs of such a policy.

It will be in the U. S. interest, therefore, through appropriate inducements and pressures, to encourage developments which may lead to reduction and withdrawal of Soviet forces from Eastern Europe.

COURSES OF ACTION

Poland

14. Provided that the outcome of the forthcoming Soviet-Polish talks does not fundamentally alter the situation:

a. Make an early approach to the Polish Government in response to its note of October 8 indicating our willingness to discuss with it all problems affecting U. S.-Polish relations.

b. Take appropriate steps to reorient Polish trade toward the West, and urge the countries of Western Europe, especially West Germany and the U. K., to offer economic assistance and trade inducements.

c. Be prepared to make available at Polish request economic and technical assistance in moderate amounts sufficient to give the Poles an alternative to complete dependence on Moscow.

15. In the development of economic relations with Poland encourage the Poles to devote their energies to the satisfaction of consumer demands and peaceful trade.

16. While avoiding specific endorsement of the Gomulka Government, use whatever capabilities we may possess to

influence the new Polish leaders to adhere to and fulfill its commitments for reform made to the Polish people which will advance U. S. objectives.*

17. Increase contacts and exchanges between Poland and the United States on economic, scientific and cultural bases in the context of NSC 5607.

Hungary

18. In pursuing our immediate objectives of discouraging and, if possible, preventing further Soviet armed intervention in Hungary as well as harsh measures of repression or retaliation, mobilize all appropriate pressures, including UN action, on the USSR against such measures [while reassuring the USSR we do not look upon Hungary or the other Satellites as potential military allies].**

19. In line with this approach, consider whether it is advisable to make in the UN or elsewhere a proposal of Hungarian neutrality on the Austrian model.

[20. In line with this approach, consider now whether it is advisable to encourage Soviet withdrawal of its armed forces from Hungary by indicating a willingness of the U. S. to consult with NATO on the probable withdrawal of some U. S. forces from Western Europe if the Soviet does withdraw all of its forces from Hungary.]***

21. Use whatever capabilities we may possess to influence the new Hungarian leaders to adhere to and fulfill

* See SNIE 12-2-56

** Defense-JCS propose deletion.

*** Disarmament proposal.

the commitments they have made to the Hungarian people which will advance U. S. objectives, including the promise to seek Soviet agreement for the total withdrawal of Soviet forces from Hungary.

22. Immediate relief assistance for the Hungarian people in the form of medical supplies and food has been offered through appropriate channels and should continue to be made available to supply their needs for the duration of the emergency.

23. If a government comes to power in Hungary at least as independent as that in Poland:

a. Be prepared to make available at Hungarian request economic and technical assistance in moderate amounts sufficient to give the Hungarians an alternative to complete dependence on Moscow.

b. Increase contacts and exchanges between Hungary and the United States on economic, scientific and cultural bases in the context of NSC 5607.

c. Furnish disaster relief, especially for Budapest.

d. Take appropriate steps to reorient Hungarian trade toward the West, and urge the countries of Western Europe, especially West Germany and the United Kingdom, to offer economic assistance and trade inducements.

24. 

(a)(4)
(a)(5)

(a)(4)
(a)(5)



25. Encourage the Austrians to maintain their announced policy of granting asylum to Hungarians who may seek it. Aid the Austrians to meet the problem of an increased number of Hungarian refugees by financial and other material assistance from U. S. resources; and encourage other friendly governments to assist. Should a considerable number of Hungarians seek refuge in Austria, urgent consideration will have to be given by the United States and other friendly governments to their immediate care and swift resettlement.

General

26. As a matter of high priority, exploit fully throughout the world propaganda opportunities afforded by recent events in Poland and Hungary.

27. The Planning Board should urgently undertake a study of policies and actions which will encourage or bring about withdrawal of Soviet forces from Eastern Germany and Eastern Europe.

28. As soon as developments in the area can be adequately assessed, review "U. S. Policy Toward the Soviet Satellites in Eastern Europe" (NSC 5608/1).

29. As a matter of urgency, under currently organized governmental mechanisms, undertake a study of the situation in other European satellites to determine U. S. courses of action in the event of future revolutionary actions or uprisings in those countries which indicate a movement away from control by the USSR.

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NSC Case 87625 (Rev. 11/27/87)

ANNEX A

PRESIDENTIAL STATEMENTS

October 23, 1956

"A people, like the Poles, who have once known freedom cannot be for always deprived of their national independence and of their personal liberty. That truth applies to every people in Eastern Europe who have enjoyed independence and freedom.

"For a time, that truth may be obscured. Tyranny can, for a while, effectively present a false facade of material accomplishment. But that illusion is no substitute for the freedom that men and women cherish from raising their children in family loyalty -- choosing their jobs of their friends and associates -- to practicing their religious faith without fear.

"Eventually, as in the satellites today, the cost proves greater to a once proud and independent people than the value of the monuments or the factories -- or the prisons -- that have been erected.

"In those lands, the fruits of imperialism are discontent, unrest, riots in one place and demonstrations in another, until the tyranny exercised over them either dissolves or is expelled.

"The day of liberation may be postponed where armed forces for a time make protest suicidal. But all history testifies that the memory of freedom is not erased by the fear of guns and the love of freedom is more enduring than the power of tyrants. But it is necessary that the inspiration of freedom, and the benefits enjoyed by those who possess it, are known to those oppressed.

"In that light -- we, as a nation -- have a job to do, a mission as the champion of human freedom. This is it:

"First -- So to conduct ourselves in all our international relations that we never compromise the fundamental principle that all peoples who have proved themselves capable of self-government have a right to an independent government of their own full, free choice.

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"Second -- So to help those freedom-loving peoples who need and want and can profitably use our aid that they may advance in their ability for self-support and may add strength to the security and peace of the free world."

From the Address of the President, at the Dinner celebrating the 75th Anniversary of the Brotherhood of Carpenters and Joiners, Delivered at the Sherton-Park Hotel, 10:15 p.m. EDST, October 23, 1956.

October 25, 1956

"The United States considers the developments in Hungary as being a renewed expression of the intense desire for freedom long held by the Hungarian people."

"The demands reportedly made by the students and the working people clearly fall within the framework of those human rights to which all are entitled, which are affirmed in the Charter of the United Nations, and which are specifically guaranteed to the Hungarian people by the treaty of peace to which the government of Hungary and of the Allied Powers, including the Soviet Union and the United States, are parties.

"The United States deplors the intervention of Soviet military forces which, under the treaty of peace, should have been withdrawn and the presence of which in Hungary, as is now demonstrated, is not to protect Hungary against armed aggression from without, but rather to continue an occupation of Hungary by the forces of an alien government for its own purposes.

"The heart of America goes out to the people of Hungary."

From the statement issued by the President in New York on October 25, 1956.

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STATEMENTS BY SECRETARY DULLES

October 27, 1956

" . . . The captive peoples should never have reason to doubt that they have in us a sincere and dedicated friend who shares their aspirations. They must know that they can draw upon our abundance to tide themselves over the period of economic adjustment which is inevitable as they rededicate their productive efforts to the service of their own people, rather than of exploiting masters. Nor do we condition economic ties between us upon the adoption by these countries of any particular form of society.

"And let me make this clear, beyond a possibility of doubt: the United States has no ulterior purpose in desiring the independence of the satellite countries. Our unadulterated wish is that these peoples, from whom so much of our own national life derives, should have sovereignty restored to them, and that they should have governments of their own free choosing. We do not look upon these nations as potential military allies. We see them as friends and as part of a new and friendly and no longer divided Europe. We are confident that their independence, if promptly accorded, will contribute immensely to stabilize peace throughout all of Europe, West and East.

"Let me add a word about future relations with the peoples who compose the Union of Soviet Socialist Republics. They too can have hope. The spread of education, and industrial development, create growing demands for greater intellectual and spiritual freedom, for greater personal security through the protection of law, and for greater enjoyment of the good things of life. And there has been some response to those demands.

"There is ground to believe that that trend will prove to be an irreversible trend. It may bring the day when the people of the United States can have, with the people of Russia, the relations of fellowship which they would like, and when the governments of our countries can deal with each other as friends."

From an address by Secretary Dulles
at Dallas, Texas, October 27, 1956

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By: Y2TG

Date 8-8-98

October 28, 1956

"The Government of the United States is actively concerned with the suffering caused the Hungarian people by the street fighting and military operations in Hungary. It has been in constant touch with the American Red Cross authorities. The American Red Cross has offered assistance through the International Red Cross in Geneva, Switzerland. And this Government has offered to extend assistance to alleviate suffering on the part of the Hungarian people. It will continue to pursue this matter vigorously. It is understood that the Red Cross societies of 30 countries have made offers of assistance."

Statement by Secretary of State
John Foster Dulles (DS PR 562)

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By: RTG

8.9.89

(Prepared by the International Cooperation Administration)

The extent to which U. S. assistance could be made available would vary according to whether or not the recipient country would agree to comply with the Battle Act. (It should be noted that the President may exempt certain items from the applicability of the Battle Act but not in respect of arms, ammunition, implements of war, and atomic energy materials.)

I

In case of non-exemption from or non-compliance with the Battle Act, assistance would be limited to the following:

(A) Mutual Security Assistance:

1. Under Section 401 (up to \$30 million in the case of either country) by Presidential Determination that such assistance is important to U. S. security.
2. Under Sections 402 and 505, sales of agricultural surplus or other commodities or services, but only if the local currency proceeds were used for concurrently developed programs for the purchase of commodities for third countries and appropriations for the benefit of such countries were charged.

(B) P.L. 480: surplus agricultural commodities.

1. Under Title I. Sales can be made only to "friendly nations," which requires a determination that these countries are no longer "dominated or controlled" by the USSR or a foreign organization controlling the world communist movement, and provided further that the local currency proceeds be used either by the U. S. or for the purchase of commodities for third countries.

the American Red Cross. (Total appropriated for this purpose is \$3 million.)

(B) P.L. 480: Surplus agricultural commodities.

1. Under Title I, sales could be made for local currency, to be utilized by the countries involved for agreed purposes.
2. Under Title II, emergency relief could be provided directly to the Governments rather than limited to their needy people.

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 NSC CASE 87-525 DATE 10/28/89 BY 89-544
 By 1216 DATE 8-5-88