MEMORANDUM FOR THE RECORD

SUBJECT: Hungarian Conflict and FEC Action

1. RFE's Voice of Free Hungary has not yet taken any position with regard to the rebels except to report the straight news. The rebels in Hungary now control at least three major radios and are broadcasting under the title of the Voice of Freedom. The dilemma faced by RFE from a policy standpoint is how to indicate support for the rebels without providing the Soviets with provocation for bringing troops into the country to stamp out the rebellion.

2. It is recommended as a minimum that RFE be authorized to indicate its sympathy and admiration for the courage and spirit of the embattled rebels. In this connection, RFE should be authorized to indicate direct support to the ten demands for freedom put out by the rebels. RFE has already been following a line attacking the Soviet military intervention in Hungarian affairs and supporting the demands for withdrawal of the Red Army. This demand should become the number one objective of RFE broadcasting to Hungary and should be given a further peg by Secretary Dulles' remarks to Austrian Ambassador Karl Gruber, at least to the extent that they have appeared in the press. The Secretary said, according to the Washington Post, "today marks the first anniversary of the date on which your country was finally freed from the presence of foreign troops after 17 years. In the Moscow Declaration of 1943, Russia was one of the allied signers of an agreement to seek Austria's freedom and independence, and also open the way to 'neighboring states' to reach 'political and economic security'. Those neighboring states were still awaiting 'fulfillment of the promise' and Austria should be an inspiration to them." This statement by the Secretary, of course, has implications which are implicit without being stated that the Austrian Peace Treaty provides a basis for settlement to which the Hungarians might legitimately aspire. RFE, of course, is already giving wide play to the President's remarks on the subject of Soviet military intervention.

3. In addition to the foregoing, consideration should be given to whether RFE should provide any direct suggestions to the rebels and the Hungarian people generally; such as urging that they cooperate in cutting off food and other supplies from the Soviet troops.
for any policy messages from the U.S. Government which might be delivered to the rebels or to the new government emerging in Hungary. The advantage of [ ] as such an intermediary is that because of his reputation in the United States and his [ ] what he says will carry considerable weight.

On the other hand, he will not be speaking officially for the United States and any remarks attributed to him publicly could, if desirable, be denied by the U.S. Government.

5. Reportedly the road from Budapest to Vienna is now controlled by the rebels; thus the rebels have an escape route in case defeat becomes imminent.

6. The Upjohn Medical Corporation has offered the Crusade for Freedom medical supplies including the most expensive antibiotics which they would like to send free to the Hungarian rebels. Perhaps this offer cannot be acted upon through available channels. However, it is recommended that consideration be given to providing the International Red Cross with blood plasmas and other medical supplies which could be offered to the Hungarian people.

7. Incidental to all the foregoing is the resolution of a very important controversy, which is the position to be adopted toward Imre Nagy. According to latest evidence from RFE, it was Gero who made the original request for help from the Red Army, even before Nagy was made Prime Minister. Furthermore, RFE has what it considers reliable information that Radio Budapest credited this action to Nagy under Gero's orders. It is probable that Nagy will prove to have been guilty in any case because he has not asked the Red Army to stop fighting. But, in view of the foregoing, it would seem appropriate for RFE to be very cautious about launching any major attacks against Imre Nagy until we have more facts.

SECRET