# **Soviet-Hungarian Economic and Political Relationships**

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### Abstract:

In the document-based article is given the analysis of foreign policy of the USSR 1940-1941 which dwells on the Soviet-Hungarian relationships on the threshold of the Great Patriotic War. A special attention is paid to highlighting peaceful friendly aspirations – though bringing no positive results - of the Soviet Union in Hungarian direction.

The document-based article underlines some facts discovering a dramatic character of Soviet-Hungarian relationships on the threshold of the Great Patriotic War – the war imposed by the Nazi Germany on the USSR. The details of negotiations between the USSR and Hungary in Budapest and Moscow are discovered; the role of politicians such as Molotov, Krishtoffi, Sharonov, Chaki, Vyshinsky is shown. The facts touching Hungarian interests in Romania and Yugoslavia before the war between Germany and the USSR are given. The details of negotiations about concluding a treaty on commerce between the USSR and Hungary are discussed.

The motives of the Hungarian troops' invasion to Yugoslavia are considered. A double-standard policy of Hungary under Khorti's dictatorship, its proximity with the Nazi regime which influenced Hungary's starting the war against the USSR are explained. The details on diplomacy policy of the Nazi Germany aimed at further plan-realization on occupying the territories of Eastern Europe are given.

Keywords: Molotov, Krishtoffi, Sharonov, Chaki, Vyshinsky.

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#### 1. Introduction

On the threshold of the Nazi Germany invasion into the Soviet Union, the latter was doing everything in order to keep its boundaries safe, keep up normal relationships with neighbouring states. One of them was Hungary. Despite Khorti's dictatorship in the country, the USSR aimed at developing progressive two-sided relationships in various spheres. The documents of foreign policy of the USSR (1940-1941) give evidence about it – interesting and hardly known facts about this will be open for our careful analysis and explanation.

## 2. Methods

Reconstruction historical document-based methods, a history-and-genetics method, comparative-and-historical method, analysis and synthesis method have been used.

#### 3. Results and Discussion

The Soviet Union was doing everything to keep relationships with Hungary normal. This was claimed by V. Molotov in his conversation with an Italian ambassador A. Rosso in June 25, 1940, in which he underlined that the USSR had no complaints in relation to Hungary and was on friendly terms with the country (Getselevich, 1998).

Feeling Moscow's friendliness, Krishtoffi, during his meeting with A. Vyshinsky, «asked for permission of Hungarian population's resettlement of six localities in Northern Bukovina to Hungary».

«I – the deputy people's commissar for foreign affairs writes, - answered that I do not find the resettlement rational because the boundary line has just been set up». The plenipotentiary asked to to give an answer to Hungary's request. In July 4 I invited Krishtoffi and reminded him of having already mentioned Hungarians' resettlement from Bukovina to Hungary as irrational.

Nevertheless, having the request of Hungarian government in mind, I gave orders to the People's Commissariat of Foreign Affairs to study the issue in details and give the data to the Government» (Getselevich, 1998).

The conditions for signing the treaty on commerce between the countries were under construction. V. Molotov while meeting Krishtoffi, reported that the Soviet government agreed to conclude the treaty «which should go with economic interests of both countries» (Getselevich, 1998).

Chaki, having received the information from his messenger, found it necessary to send their plenipotentiary in the rank of no less than a minister and to telegraph Krishtoffi to offer the chief of economic department of the Ministry of Foreign Affairs Nikkl (who was the minister and was competent enough to organize foreign policy negotiations).

Simultaneously, Krishtoffi asked V. Molotov whether the Soviet government could influence Yugoslavia's keeping calm in case Hungary would have to run in conflict with Romania.

Molotov answered «that this interference from our side might be premature and referred to the fact that our relationships with Yugoslavia had not been set yet: mutually appointed envoys had not arrived at the destination and discussed both-side-concerning issues» (Getselevich, 1998).

Emphatically, Hungary formulated territorial complaints to Romania in relation to Transylvania which had become Hungarian according to the Treaty of Trianon. The USSR, as it is vividly seen from the documents, considered that the complaints of Budapest to Bucharest «had the grounds». As V. Molotov mentioned in his conversation with Krishtoffi, «the USSR representatives were going to stick to this position in the case of making an international conference which would eventually raise the issue of Hungarian claims towards Romania». Meanwhile, Hungary was mobilizing population, army strength, according to Chaki's remark in his talk with I. Sharonov, the country strengthened its army up to 1 million people and was about finishing the dislocations and getting ready to start the war (Getselevich, 1998).

On the 10th of July Chaki and the Prime Minister of Hungary P. Teleki went to Munich – they had an appointment with Hitler, Ribbentrop and Ciano (Deak, 1985). The countries of the «axis» generally supported Hungarian complaints addressed to Romania and agreed to exert pressure on the latter and make it cede.

On returning to Budapest Chaki made a speech at the Parliament Commission for Foreign Affairs. As I. Sharonov writes to Dekanozov, «according to my data, Chaki declared that Germany – as well as Italy – fully support the revisionist ideas of Hungary (a part of Transylvania instead of the whole Transylvania). Secondly, bearing the current conditions in mind, one should consider that in its foreign policy Hungary should rely only on «the axis»-states. Thirdly, Chaki made a few announcements about the Soviet and Hungarian relationships, underlining the understanding of Hungary's necessities and absence of plans in relation to Zakarpattian Ukraine». Although Chaki got the support of Germany and Italy, «the Munich negotiations themselves evoked certain disappointment in government circles of Hungary which was ready to set off a million army and make a military decision about the conflict with Romania. Even the Prime Minister's announcements in mass media about the necessity of «waiting, being patient and hard-working», though having been accepted «with Christian humility», could not be taken without some kind of society discontent». (Getselevich, 1998).

In August, 6th, 1940, the plenipotentiary I. Sharonov received a messenger of Yugoslavia in Hungary, Rishich, who informed him «that many people say I have met with Chaki three times and that the USSR, having balanced the relationships with Hungary, pushes Hungary against Romania in order to get some territories from Romania».

«I have noticed, - I. Sharonov writes, - that Chaki has received me on current issues twice, as long as our relationships with Hungary, - according to «Pester Lloyd», we have polite and loyal relationships with Hungary, while Molotov clearly declared that having settled the trouble-point about Bessarabia, there is nothing that can interfere with good-neighbouring relationships with Romania» (Getselevich, 1998).

In 10 days under the pressure of Germany in Turnu-Severin, there started Hungarian-Romanian negotiations on the territorial issues, but due to irreconcilable positions of the two sides, they did not yield any results, and on August, 24, 1940 were interrupted. After that the second Vena arbitrage took place.

On its decision from August 30th, 1940, Hungary got the northern part of Transylvania from Romania (about 19 300 square miles of territory with the population of 2 385 987 people) (Kallay, 1954).

Aside from the Treaty on trade and navigation (which had been in force since September, 15, 1940) and the minutes from September, 3 1940 on exporting and transiting armament, in Moscow there had also been signed an agreement on commodity circulation and payment between the USSR and Hungary. It envisaged an increase in commodity circulation between the two countries up to 7 mln dollars a year. The import from Hungary included carriage wheel pairs, oil-transit pipes, vessels and scows, electric engines and other equipment; deliveries of the USSR to Hungary – lumber, lubrication oils, asbestos, cotton, manganese and chrome ore and other goods (Izvestiya, 1940).

Two weeks later after signing the Treaty, Sharonov had an appointment with Oppavari – deputy head of the economic department the Ministry of Foreign Affairs, who declared that «he was quite satisfied with our Treaty on commerce with Hungary, though expressed regrets that Hungarians would not have a possibility to get wolfram from us according to the agreement of 1940-41. Besides, Nikkl said that despite adjoining Transylvania with its wood resources, they wanted to get wood from us as soon as possible. Nikkl also expressed worries about delays in negotiations on the railway convention as long as the matter of the railway system was crucial at that time and especially when navigation on the Danube had to be stopped. Nikkl showed his extreme contentment, judging from his words, with the breakfast with comrade Mikoyan, visiting a car plant named after of the Comrade Stalin and an Agricultural exhibition. Incidentally he said that before his trip to Moscow Hungarians were going to offer us haberdashery in a large volume, but then he realized they had to sell us more serious things» (Getselevich, 1998).

According to Sharonov, after his conversation with Chaki «he realized that they were afraid of turning Hungary into a transit road, and the fears were strengthening; simultaneously, they were aiming at us, as it had been mentioned by Betlen» (Getselevich, 1998).

We can find a confirmation of this in Chaki's speech in the Parliament. As Sharonov writes, «Hungary is willing to deepen agricultural relationships with us, underlined, that the preliminary condition for this is the soonest opening of the railway interaction. Bearing in mind the fact that Hungarians have not ratified the treaty on commerce yet, we can suppose that they are waiting for our agreement to start these negotiations. At the same time by means of an open telegram reporting to Yerofeev the list of members of the trade commission which requests getting visas as soon as possible. The trip aim is in my telegram 8.11.1940». In the telegram he reported «that on November, 17 a Hungarian delegation is planning to arrive in Moscow in order to make an agreement on the supply of shafts, skates, engines, etc.» (Getselevich, 1998).

Similarly, Hungary strengthens bonds with the fascist block. Chaki in his conversation with Sharonov in October 28, 1940 seems to anticipate events and informs him about Hungarians' probable joining a triple pact. Because in case of joining, they will have a certain moral guarantee from invasions of other countries – participants of this pact (Getselevich, 1998).

About a month passed and the prediction turned into life. In November 20, 1940 an official Hungarian delegation headed by Chaki is going to Berlin where Hungary «joined the triple pact. In the conversation with Hungarian delegates A. Hitler gave a negative estimation of the results of the USSR delegation's visit (headed by V.M. Molotov) to Berlin. He underlined that the Soviet side allegedly showed interest in relation to spheres of influence. Germany's intentions to gain a foothold in the Balkans were explained as the desire not to let the USSR intrude there» (Hillgruber, 1967).

With the above mentioned facts a German newspaper «Hamburger Fremdenblat» reported that Hungary's joining had been achieved allegedly «with a cooperation and full approval of the Soviet government» which was an absolute lie. In another place the newspaper writes that the story goes not about Hungary's joining the pact, but about building a new order (Getselevich, 1998).

The Soviet Union reacted to the happening with a TASS message from November 23 and it evoked discontentment from the German side (Izvestiya, 1940).

In early December at Vyshinsky's reception the messenger Krishtoffi was trying to explain the reason of his country's joining a pro-fascist pact, referring to Chaki. The latter – according to his words – underlined «that Hungary joined the pact with an aim of taking part in a «new order» which is being constructed in Europe now. Chaki implied that Hungary is free in its inner policy and relationships with its neighbouring

states in accordance with p. V of the pact. Chaki emphasized that Hungary's joining the triple pact should not be considered as an action directed against the USSR – on the contrary, Hungarian government wants to strengthen neighbourly and develop economic relations between Hungary and the Soviet Union» (Getselevich, 1998).

After this announcement, as A. Vyshinsky writes, the messenger switched to the issue which was the aim of his visit. The messenger had a mission connected with the TASS communique from November 23, overturning the false affirmation of the German newspaper «Hamburger Fremdenblat» about the idea of Hungary's joining the pact of the three states and and its achievement allegedly «with the cooperation and full approval of the Soviet Union». The messenger announced that the TASS overturning was absolutely correct because neither the cooperation on the issue with the Soviet Union, nor approval from the Soviet side took place. However, Hungarian government was somewhat surprised with the published communique which had made an impression of the Soviet government's disapproval of Hungary's joining the pact. The messenger was authorized to inquire me whether this impression was true. I replied to the messenger that I was listening to his message connected with Hungary's joining the triple pact with full attention and took it into account. As for the TASS, it was vividly seen from the text, it is concerned about the wrong message of the newspaper «Hamburger Fremdenblat», not about anything else. Therefore, I believe that Hungarian government had no ground to get surprised about the published TASS message. As for the Hungarian government's intention to strengthen neighbourly and develop economic relationships between Hungary and the Soviet Union, this idea totally coincides with the one of the USSR government (Getselevich, 1998).

The Soviet Union, as we can clearly see, did not aim at the relationship degrading – in spite of the fact that actually Hungary had become the ally of the fascist Germany, Italy and Japan. Moreover, in March 20, 1941 Moscow kept the promise about the returning of the military relics to Budapest in reply to Rakoshi's jail-release. Here is what the newspaper "Izvestiya" writes: «In March 20 in the building of the Central House of the Red Army had taken place the handover of 56 Hungarian army banners taken by the tsar troops of Nikolay I when suppressing Hungarian national-liberation movement in 1848-1849. The handover had been triumphantly realized by the army general com. I.V. Tyulenev on the order of the USSR government to the Ambassador and Minister Plenipotentiary of Hungary in Moscow Mr. Joseph Krishtoffi de Cheite. Accordingly, the Hungarian banners accompanied by the Guard of Honour and the representatives of the People's Commissariat of the USSR defense and Hungarian mission in Moscow, were sent to the Soviet-Hungarian border with an intention of being handed to the specially arriving Hungarian delegation. At the triumphant handover of Hungarian banners were present: the General Secretary of the Folk Commissariat of Foreign Affairs A.A. Sobolev, the supervisor of the Protocol Department of the Folk Commissariat of Foreign Affairs com. V.N. Barkov, the Chief Manager of Foreign Affairs of the General Headquarters Lt. Gen. N.I. Trubetskoy, Chief of Department of Foreign Affairs A.V. Gerasimov, Commandant of Moscow Maj. Gen. V.A. Revyakin, Maj. Gen. D.I. Gusteshov, the Deputy of the Chief of Department of Foreign Affairs Colonel V.M. Dragun, acting director of the Revolution Museum com. A.D. Pitersky and others, together with the military attaché of the Hungarian mission in Moscow Farago and the whole delegation of the Hungarian mission» (Getselevich, 1998).

This kind step of the Soviet Union did not bring a positive effect in the Hungarian government's actions. Having become a satellite of the fascist Germany, they followed Germany's way. A vivid proof is that in April 10, 1941, breaking in April 10, 1941 (the treaty on eternal friendship) concluded in December 1940, Hungary attacked Yugoslavia and occupied the part of Voyevodina.

To excuse this action, in April 12, 1941, the Ministry of Foreign Affairs of Hungary gave orders to their messenger in the USSR to pay a visit to Vyshinsky and make an announcement on behalf of the Hungarian government about the motives «the Hungarian government used to enter troops to the Yugoslavian territory, and expressed the hope that these Hungarian actions would be acknowledged by the Soviet government as fair»(Getselevich, 1998).

Krishtoffi had carried out his mission. Vyshinsky listened to him and gave the following answer: «If this announcement is made to hear the Soviet Union government's opinion, I must declare that the Soviet government cannot approve of the Hungarian step. The Soviet government is living through negative impressions about the circumstance that Hungary has started the war against Yugoslavia just 4 months after concluding a pact about eternal friendship. It is not difficult to understand what position Hungary would get if it was torn apart, because in Hungary also live national minorities. The messenger promised to give this announcement of the USSR Government to his Government» (Izvestiya, 1940).

Aside from the deputy of the folk commissar's answer, the Soviet side reacted to the Hungary's aggressive step against Yugoslavia with the TASS publishing. Afterwards the Hungarian government spread the gossip that allegedly the Hungarian messenger was invited by Mr. Vyshinsky and the latter demanded explanations. Probably, it was the idea to excuse themselves in front of Berlin, surprised by the fact of Krishtoffi's coming to the Soviet deputy of the folk commissar with his announcement (Getselevich, 1998).

Romania reacted to Vyshinsky's statement. Its messenger in Moscow Gafenku in April 15, 1941 had an appointment with Vyshinsky. The latter wrote later: «Then Gafenku initiatively declared that it had taken him great pleasure to read the Soviet communique dwelling on the Hungarian messenger's announcement.

I asked him what his attitude to our announcement was.

Gafenku tried to sway from direct answering, but I know his attitude to the issue myself.

However, after my second request to express his opinion, he said he was quite agree with our announcement. In his opinion, the announcement perfectly mentioned the nationality minorities in Hungary. Hungary might have possibly forgotten about having plenty of national minorities, including over 2 mln Romanians.

Gafenku expressed worries about Hungarian possible invading Romanian Banat» (Getselevich, 1998).

In the whole, Vyshinsky's announcement, as Sharonov put down in his diary after the conversation with the Slovakian messenger Spizhyak, evoked the Hungarians' bothering and it was increasing daily after the Soviet plenipotentiary and military attaché's departing from Budapest to Moscow, and the rumors about concentrations of the Soviet troops on the Carpathian border, about the war and the Red Army's coming to Hungary.

Meanwhile, Khorti had an appointment with Hitler in April 24 (Fenyo, 1972). The agenda included the issue of expanding Hungarian territory by means of Southern Transylvania, however, finally agreed on Bachka and Banata, because judging from the words of Spizhyak, the Germans did not want to let the formation of «Big Hungary» which might feel the host in the Balkans and get cooperated with Italy (Getselevich, 1998).

The role of Hungary in the attack on the Soviet Union was also discussed at the meeting in the Balkans.

Nevertheless, Hungary did not aim at breaking the relationships with the USSR. Moreover, in spring 1941 we were invited to the exhibition in Budapest where the Soviet pavilion had a perfect success according to the words of archduke Albrecht. During their conversation with Sharonov he «expressed gratitude for the...box and cotton seeds sent to him earlier from Moscow. After a long talk about the success of cotton development in the Soviet Union and the archduke's attempts to get down to cotton industry in Hungary, they dwelled on the issue of providing Hungary with wood and he asked to send him the seeds of the very kind of eucalyptus which grew in the mountains of South America at the height of more than a thousand meters. Having returned to the cotton industry, the archduke, talking almost non-stop, declared he would really like to go to Turkestan with an idea of having a look at the cotton sector if it was possible at that time.» (Getselevich, 1998). All in all, Hungary goes towards proximity with the fascist Germany. In spring 1941 the concentration of Hungarian troops on the Soviet border was carried out – the one coordinated with the German headquarters (Horthy Miklos. 1953) (Randolph, 1993). It was strengthened after June 15, when on behalf of Ribbentrop the messenger of Germany in Budapest O. Erdmannsdorf reported to the Hungarian prime-minister Bardossi about «the forthcoming, before the June started, German-Russian showdown» (Bernadotte, Marshall-Cornwall & Baumont, 1951).

Hungary, having become the ally of the fascist Germany in June 17, 1941, declared the war to the Soviet Union. The reason for this was an organized beforehand a provocative raid of German planes from the side of pro-Hitler and pro-Khort supporters onto Kasha (Koshitze).

In late June and early July 1941 the Hungarian government directed a group of troops to the Soviet-German front in the quantity of 44,5 thousand soldiers and officers, 42 planes (Semiryaga, 1972).

#### 4. Conclusion

In conclusion, we should highlight that within the period under our consideration, as the documents bear witness, the Soviet Union in its relationships with Hungary followed the principles of peace-policy and kind neighborhood, holding to the basic points of diplomacy. Hungarian behaviour was double-standard. On the one hand, making advances to us, on the other – was more and more getting closer with an aggressive block which led the country to the war against the Soviet Union with all the ensuing consequences.

# 5. Summary

The documents presented here, the reminiscences of the event-members and the scientists' opinions enable to clarify a factual side of the happening before the attack of Germany onto the Soviet Union. These data are arguments in favour of the characteristics of the Soviet Union policy as quite peaceful – unlike the one of Hungary.

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