

(a) that \$100,000 be contributed to the Canadian Red Cross for the relief of refugees who had left Hungary since the recent uprising in that country began, on the understanding that as much materials and supplies be procured in Canada as possible, and that any portion of the grant not used for the purposes specified be returned to the Receiver General;

(b) that \$100,000 be contributed to the United Nations High Commissioner for Refugees for the same relief purposes; and,

(c) that detailed financing arrangements be settled subsequently by the Treasury Board, but that, as an earnest of the government's intentions, \$50,000 be made available immediately from the unforeseen expenses vote of the Department of Finance.

...

14.

DEA/8619-40

*Le secrétaire d'État aux Affaires extérieures
au représentant permanent auprès du Conseil de l'Atlantique Nord*

*Secretary of State for External Affairs
to Permanent Representative to North Atlantic Council*

TELEGRAM SS-245

Ottawa, November 8, 1956

CONFIDENTIAL. IMMEDIATE.

Repeat Permis New York, Washington, London, Paris, Bonn, Rome, Brussels, Delhi (Most Immediate).

By Bag Moscow, Prague, Belgrade, Oslo, Hague, Athens, Ankara, Cairo, Tel Aviv, Beirut, Pretoria, Wellington, Canberra, Karachi, Colombo, Djakarta, Geneva from London.

By Bag Warsaw, Vienna, Stockholm, Copenhagen, Lisbon, Madrid, Tokyo, Berne from Ottawa.

HUNGARIAN SITUATION

1. The following are the summary conclusions of a longer departmental paper on events in Hungary. It has not yet had ministerial approval and must necessarily still be considered somewhat speculative.

(1) The Soviet Union probably decided to quell the Hungarian rebellion by force (a possible necessity which it had prepared for at the first signs of serious trouble) only when it became clear that Nagy had lost control of the situation and was merely riding the crest of the rebels' ever increasing demands. His concessions and demands meant the end of Communist control and the withdrawal of Hungary from the Soviet Bloc. For political, economic and, most important, strategic reasons, the Soviet Union could not permit this. It would have preferred the maintenance of essential control by less violent means but felt forced to intervene to prevent Hungary's total defection.

(2) The duplicity of the Russians in this action should be noted. During the week when Soviet troops were being moved into Hungary, Bulganin and Zhukov were consistently denying these movements to Western diplomats in Moscow. Moreover, the Russians were actually mounting their full-scale assault on Hungary at the same time as they were offering to negotiate and holding discussions with the Hungarians for the complete withdrawal of Soviet troops.

(3) By its action in Hungary, the Soviet Union has seriously impaired its line of peaceful co-existence and the possibilities for better relations, in all fields, with the West. Unfortu-