Communist. The Anglo-French defiance of the United Nations presumably will make them feel in a stronger position to resist United Nations demands and to insist with the Hungarians on a measure of Soviet control. In my view, one of the most disastrous consequences of the Middle East adventure is the excuse now given to the Russians to regain at least partial control of their satellites. The whole aim of NATO and the Western Alliance was to maintain the strength of the West in the hope that some day the Russians could be persuaded to agree to a more permanent type of peace for Europe. It was in our hands to see the Russian threat to Europe brought back right to the borders of the U.S.S.R. It is now quite possible that we have thrown this away.

- 9. The Russians are nevertheless still faced with a dreadful dilemma in Hungary. They can, if they wish, destroy the present government and the Hungarian Nationalists. The remnants of the Hungarian Communists are completely discredited, but they have escaped to Moscow. They could be restored in Budapest, but there can be little doubt in the Soviet mind that they would have to be maintained by force. In view of the complete lack of success of the Hungarian Communists in maintaining control of the country and a reasonable economic standard, and in view of the complete opposition throughout the country in every sector of national life to both Communism and the U.S.S.R., it seems doubtful that the Soviet leaders who have shown a willingness to accept the realities in Poland, would be foolish enough to think that such a situation would be permanently possible or profitable.
- 10. The Soviet leaders must equally, however, have been appalled at the speed with which the Hungarian Nationalists were prepared to withdraw their country from the Soviet orbit and the violence of the anti-Russian sentiments displayed. I do not think that they can tolerate the division of their Satellite empire into a northern and southern tier by the loss of Hungary, or permit the possibility of this country being built up as an anti-Soviet base, something they must undoubtedly fear. They probably suspect, therefore, that the Hungarian government's request for neutrality is simply the first step in bringing Hungary completely over into the Western camp.
- 11. It is not in the interests of the Western powers to attempt to push things too fast in Eastern Europe, though in all truth we have been completely passive in the events played out in Budapest. The Hungarians have set the pace from the beginning. The Russians themselves have announced their willingness to renegotiate the basis of their relations with the Eastern European countries, and indeed they are now talking of a Commonwealth of Socialist States. Before the Suez crisis really broke on us, they had also announced their willingness to negotiate the withdrawal of Soviet forces from Poland. Czechoslovakia and Roumania. If it had been possible for the West to take a diplomatic initiative at this time, this would have been the best possible moment to announce our willingness to negotiate the withdrawal of Western forces from Germany in return for the withdrawal of Soviet forces from Eastern Germany and all of Eastern Europe. The collapse of the Soviet empire in Eastern Europe would have followed almost immediately with the withdrawal of Soviet forces. The effect on the military strength of NATO could hardly have been greater than the effect on the military strength of the U.S.S.R. On the other hand, the West would have gained a tremendous political victory, but as it is the unity and military effectiveness of NATO is sadly shaken without any commensurate political gain.
- 12. One last thought is that unless the West gives some expression of its solidarity with and sympathy for the Hungarians, we will have lost the last remnants of our prestige in all of Eastern Europe. We can hardly expect that the Roumanians and Czechs will attempt to shake off the dominance of Moscow if the Hungarian battle is lost. I am not suggesting material aid, which is clearly impossible. But some kind of political initiative and support would clearly have been of great moral and political aid to the Hungarians.