Theses of the PhD Dissertation

British Diplomacy in Hungary from 1924 to 1941
Structure and Activity of the British Legation

Orsolya Fürj

Supervisor: Dr.habil. Róbert Barta

UNIVERSITY OF DEBRECEN
Doctoral School of History

Debrecen, 2017
I. Background and key points of the thesis

In recent decades, researches about interwar British–Hungarian relations have been considered from the aspect of the Foreign Office. The perspective of the British Legation in Budapest, which was in the closest connection with the Hungarian government, has been less-known among historians. Hence, the thesis focuses on the history of the British Legation and its structure, which was formed in 1921. Recent researches about British–Hungarian official relations can be outlined by adding more information about everyday work method and political activities of the Legation. Furthermore, it is also less-known how this diplomatic work flowed into the Central/Southern Department, which was responsible for Hungarian political affairs, and what kind of results or possible alteration it caused as regards the formation of British foreign policy towards Hungary.

Main aim of the thesis is to put the British–Hungarian interwar relations and political affairs in a complex environment, where they can be examined alongside with the history of the Legation, the diplomats’ activity and their informal personal network. Core issue of the thesis is to represent major points from the aspect of the British Legation, in relations of the two countries from 1924 to 1941, and to provide insight how everyday diplomatic process went on, how the structure was born, what kind of informal relations the Head of Mission, the Ministers, had with leading Hungarian politicians, and how they gained confidential information.

Not only the Ministers’ professional work, but their personal characteristics and attitude towards sensitive political affairs are also essential to examine, because they could influence the Ministers’ activity and could contribute the efficiency of their work. Maintaining confidential relations with leading Hungarian politicians improved British diplomats’ work efficiency, information from this sources could also help the Ministers to understand better the Hungarian political situation and to reflect on it. British Ministers in Budapest managed to build good connections with leading Hungarian politicians, therefore they could gain first-hand and confidential information.

Five Ministers operated in Budapest from 1924 to 1941. Vital Hungarian problems in home affairs, foreign policy or on economic grounds, precisely showed the crucial points in each Minister’s tenure. After World War I, during István Bethlen prime minister’s early years, the Hungarian government managed to turn towards foreign policy by implementing essential reforms in home affairs and economy. As a sign of this new era, a new British Minister, Sir Colville Barclay arrived in 1924 in Budapest, and succeeded Sir Thomas Hohler. This active
Hungarian foreign policy represented the major part of Barclay’s term. His successor, Viscount Chilston, had to lead the Mission through economic difficulties and the intensifying German pressure in the early 1930s. After the difficult years of the Great Depression, in the period of Sir Patrick Ramsay and later Sir Geoffrey Know, Hungary’s foreign affairs and the Hungarian–German relations were stand in the middle of the Legation’s diplomatic work. From 1939 to 1941, Sir Owen O’Malley served as the last representative of the British diplomacy in Hungary. Although, he showed a particular understanding attitude towards Hungary’s difficult position, caused by the German pressure, but considering the international situation in Europe, his only task remained to complete the evacuation of the British Legation from Budapest in 1941.

Content of the mission reports represented those questions in which the British diplomacy was interested: treaty revision, monarchist movement, termination of military control over Hungary, forgery of franc banknotes, arm smuggling at Szentgotthárd, Italian–Yugoslav–Hungarian relations and Hungarian foreign policy towards Germany. These mission reports allow to draw conclusion what kind of instructions were given to the Legation in connection with emerging problems by the Foreign Office, and how the standpoint of the Legation was interpreted in London.

Focusing on the everyday work method, the informal connections between the Ministers and Hungarian politicians, the Ministers’ comments about Hungarian political situation, their suggestions how to tackle emerging problems and replies from the Foreign Office in connection with the Mission’s work, can highlight what kind of role the British Legation in Budapest played in decision-making process of the British diplomacy. The British diplomats’ work efficiency was strongly supported by their official and informal network. Relations with the Regent, Hungarian prime ministers, ministers for foreign affairs and executives of the Ministry of Foreign Affairs were essential from the aspect, whether informal connections could be influenced by the British diplomats’ characteristics, and how confidential information helped the work of the Foreign Office.

Complexity of the British–Hungarian relations can be underlined by adding more particular details about the history of the British Legation, how diplomats assessed Hungarian imbroglios, whether their standpoints were parallel with the attitude of the Foreign Office, what kind of position of the Minister’s activity in Budapest had in the decision-making process, whether there were any kind of existing British sympathy towards Hungary, or the British attitude was controlled only by the British political and economic interests.
II. Aims and objectives, primary sources and historiography

Main guideline of framing the research period from 1924 to 1941 was the aim that after long years of the joint foreign service of the Austro–Hungarian Monarchy, the activity of the British Legation in Budapest can be examined in the era of the separate Hungarian foreign policy. The year of 1924 opened the door for direct classical diplomatic relations between the two countries, considering that until 1924 the Hungarian government managed to stabilize home affairs and economic situation, which gave more space for foreign policy, furthermore in 1924 the structure of the British Legation became stable and appointment of a new Minister, who succeeded Sir Thomas Hoher, was also a definite sign for a new era. Among British Ministers in Budapest, Sir Thomas Hohler’s work as High Commissioner, later Minister until 1924, his personal connection with Regent Horthy and its possible impact on forming British attitude towards Hungary, have been already studied in British and Hungarian monographs. Similar approach to British Ministers in the interwar period has not been carried out yet.

From 1919 to 1924, Hohler’s effect on building up the structure of the Legation proved vital, he managed to make a stable background for the British diplomacy located in Hungary for the upcoming 17 years, thus history of the Legation building in Werbőczy street in the Caste District, Vice-Consulate in District V and alteration of the Legation staff are examined in separate chapter in the thesis. In connection with main points of Hohler’s tenure, including treaty negotiation over Hungary, Hungarian political and economic consolidation, would be needed to put in a larger context with the activity of the British Embassy in Paris and documents of League of Nations, which are beyond the current research limit. Considering the structural changes and the diplomatic activities, the year of 1924 proved to be a turning-point in history of the Legation, which was signed by a new Minister’s appointment and the changing Hungarian political climate. Before 1924, main tasks of the High Commission and later Legation emerged from the Hungarian economic and political situation, negotiations about loan of the League of Nations and problems of Treaty of Trianon. From the second half of the 1920s, in accordance with the active steps of the Hungarian foreign policy, the Foreign Office had more space for manoeuvring and sharpening the British attitude towards Hungary. In the late 1930s, as the international climate changed, the activity of British diplomacy also decreased, and as a result, in 1941, the diplomatic relations were broken off by the evacuation of the Legation, therefore the research covers the period of these 17 years between 1924 and 1941.
As regards the structure of the thesis, the thematic chapters give insight into the establishment of the British Mission in Hungary after World War I, choice of the building for the Legation in the Castle District, change of the Legation staff (diplomatic and local staff as well), its structure, its everyday work and the diplomats’ personal network with leading Hungarian politicians. Knowledge about the Ministers’ personal and professional background can also complete information about British–Hungarian relations whether they had any Hungarian family relations, any experience about Hungary before arriving in Budapest or any Hungarian knowledge, and what kind of attitude the Hungarian political and public life showed towards them. Assessing reports from quality and quantity aspect, which were send from the Legation to the Foreign Office, help to discover the activity of the Legation, which moments of the Hungarian political scene were interesting for the Legation, whether their reports had narrative style or analytical approach, and whether these documents reflected their personal impressions on Hungary and their opinion about Hungarian political situation.

Chronological framework of the thesis is built up by those problems in foreign policy and home affairs or economic problems, on which the Legation reflected in the reports. Diplomatic papers, which referred Hungarian foreign policy, had increased significantly in quantity from 1924, but it is essential to clarify whether these documents forwarded only impartial facts about the Hungarian situation, or the Ministers made assessments as well in order to help the work of the Central, later Southern Department in London. Furthermore, quality of these reports, their tones and structural framework can also point at the diplomats’ background and experience in diplomacy.

Main sources of the research were based on official reports from Budapest, which are held by The National Archives in London, and British diplomats’ personal papers and memoires, which rarely survived. Additionally, official papers of British–Hungarian interwar relations in the Hungarian National Archives, reports of the Hungarian News Agency and articles in daily newspapers in the 1920s and 1930s also help to complete the knowledge about the history of the Legation.

Research can meet several obstacles 80-90 years later, because it partly focuses on formal and informal diplomatic relations. Written sources of diplomat’s activity from this aspect have rarely survived, because of its nature, informal meetings were not mentioned in every case in reports. Information are fragmentary and scattered in sources, but some details are hidden in confidential or secret reports from the Ministers, personal papers, politicians’ and journalists’ memoires, who were in connections with British diplomats. Furthermore, newspapers from the 1920s and 1930s can also help to puzzle out the details of this informal network.
In most cases articles and papers, which have already been published in English and Hungarian, have outlined the official British attitude towards Hungary, though some other works, related to the British–Hungarian relations, have relied more on diplomatic documents of the Legation. British Ministers’ activities in Hungary played a major part in D. András Bán’s and Lajos Arday’s Hungarian monographs, and Gábor Bátonyi’s, Carlile Aylmer Macartney’s and Thomas L. Sakmayster’s English works. Additional guidance for this thesis were those monographs, which summarized certain chapters of the Hungarian foreign policy (including works about the Hungarian revision claims by Ignác Romsics and Miklós Zeidler, moreover works by Balázs Ablonczy, Tibor Frank and Géza Jeszenszky), and comprehensive studies about Hungarian foreign policy and Hungarian politicians’ biographies (including works by László Gulyás, Róbert Kerepeszki, Imre Tóth). Studying the British–Hungarian relations from viewpoint of the Legation, can contribute to broaden the perspective of prior works from English and Hungarian authors.

III. Conclusions

British Ministers’ characteristics and their opinion about Hungary
In every case, the British Ministers were experienced diplomats in the age of their middle 50s, and they had a long professional background in diplomacy. They often served at one of the British Missions in Hungary’s neighbouring countries before they were appointed to Budapest, therefore problems in East Central Europe were not unknown for them. Looking at the staff in the Legation and in the Central or Southern Department, it was an effective routine to relocate Department officers to Budapest, and when their service ended, they continued their work in the same Department, thus he had proper knowledge about Hungarian political situation before they arrived in Hungary.

More difference appeared among Ministers as regards their characteristics and attitude towards Hungary. Hungarian public circles not only accepted Sir Colville Barclay and Viscount Chilston, but surrounded them with respect and permanent interest. The Ministers’ charity work together with their wives also enhanced their reputation. From the mid-1930s, in Sir Patrick Ramsay’s and Sir Geoffrey Knox’s tenure, the Hungarian foreign policy constantly kept one of its eyes on London, but political and diplomatic relations between the two countries were not so cordial as in the 1920s, which was originated partly from the changing international climate, the Minister’s attitude and personal feelings towards Hungary. Despite of increasing German political, ideological and economic pressure, Knox showed little
understanding towards the Hungarian situation, which was probably influenced by his previous experience at the Saar. Thus Sir Owen O’Malley’s supporting attitude was thought to be the last chance for the Hungarian government to maintain its connection with Great Britain.

Ministers in Budapest always followed instructions given by the Foreign Office, they continuously informed London about the Hungarian situation, but difference can be identify in characteristic of the various periods. Particularly Barclay and O’Malley managed to establish confidential connections with Hungarian political circles, frequent personal meetings with the Regent, István Bethlen prime minister, Lajos Walko and Kálmán Kánya ministers of foreign affairs guaranteed direct connection between the Foreign Office and the Hungarian government. During Knox’s tenure, this informal network couldn’t fulfil its function, the Hungarian politicians recognised his less friendly attitude towards Hungary, thus few occasion appeared to improve connections. Chilston and Ramsay implemented their tasks and kept the Foreign Office up to date about Hungary, but Barclay, Knox and O’Malley played an active role, they send their observations and suggestions to the Foreign Office as well.

**Role of the British Legation in decision-making process of the British foreign policy**

Looking through these 17 years, it became clear, that the Ministers had to cope with various problems, which emerged from the current political situation, and they represented the corner stones of the Ministers’ activity in Hungary. According to the Foreign Office and the Legation, after economic and political reconstruction in Hungary, cordiality characterized the British–Hungarian relations in the years when Sir Colville Barclay acted as Minister. Nevertheless, not sympathetic feeling was the reason why British diplomacy supported the Hungarian government in the late 1920s in Hungary’s international imbroglios. The British intervention in the forgery scandal of frank banknotes was originated not from granting kind assistance to Hungary, but from the British interest in order to prevent, that the forgery issue might put an obstacle in the way of negotiations about terminating military control over Hungary, which was one of the main objective of the British diplomacy. In these years, on the one hand, the Legation functioned as a liaison officer between London and the Bethlen’s government, on the other hand, they actively participated in reaching the aims of the Foreign Office.

Moreover, at the time of the arm smuggling incident at Szentgotthárd, as Viscount Chilston stated right, the British diplomacy opposed investigation by the Leagues of Nations, but this action was not only a pure gesture of British goodwill towards Hungary. The Foreign
Office was afraid of the consequences, if the investigation had failed in minor issues such as the arm smuggling, the whole process of the League of Nations could lose its importance, thus an investigation could be hardly applied later in urgent and important cases. Against all courtesy and cordiality, Chilston realised, that there was no real connection between Great Britain and Hungary. Hungary played less significant part in the British diplomacy, which was caused not only by the Italian and German orientation of the Hungarian foreign policy, but the increasing Hungarian foreign debts, which aroused anxiety in British political and financial circles.

After Sir Patrick Ramsay’s neutral position, Sir Geoffrey Knox’s appointment to Budapest caused change in diplomatic relations. Knox firmly opposed in his reports Great Britain’s possible support for Hungary in any kind of form and on any level, because it would have been only waste of resources for a country, which had already been in Germany’s arms. He suggested that instead of Hungary, the British diplomacy should have focused on those countries, where real chance existed to stop German expansion. The Foreign Office also admitted that they found no hope for maintaining Hungary’s neutrality, although they considered that Knox’s opinions were exaggerated, therefore his statements didn’t influence significantly the British official attitude.

Contrary to his predecessor, Sir Owen O’Malley tried to convince the Foreign Office in his reports that Hungary was not lost totally. Thus, he demanded that the British government should support Hungary by providing help in the field of diplomacy, economy or propaganda against the German pressure, but his ideas were accepted only partly in London. His optimistic attitude was hardly approved in the Foreign Office, and his prickly character made it hard for British diplomats in London to work together with him. Nevertheless, his initiations about increasing the efficiency of the British propaganda in Hungary were accepted in many cases by the Foreign Office, but they rejected any kind of economic support.

Assessment of British diplomats’ work in Budapest, Hungary’s place in the British foreign policy
The Ministers’ opinion and their assessments about the development or permanence of the British–Hungarian relations proved their capability to understand the Hungarian political situation. Barclay’s reports were considered as excellent assessments by the Foreign Office. Annual reports were basically written by diplomats of the Legation, but showed also the Ministers’ contribution, which reflected their attitude towards Hungary. In most cases, the Foreign Office found useful these reports which backed their work in London, but had no
major influence on the decision-making process. The Foreign Office was well aware of Knox’s unfavourable attitude, but neither his opinion influenced the British–Hungarian relations negatively, nor Barclay’s and O’Malley’s pro-Hungarian attitude caused major alteration in direction of the British foreign policy. The reports arriving in London provided opportunity to exchange the British diplomats’ views about Hungary.

Making a comparison of the Ministers’ tenures, tone of the reports shows that Barclay and O’Malley fulfilled a more active role, their suggestions were made by their own initiative. Ramsay’s work in Budapest was judged differently by the Foreign Office, some of his summaries were considered excellent in London, but his long reports about speeches of Hungarian politicians were uninterested. Knox’s opinion about Hungary’s place was not favourable at all, nevertheless, he was not hostile to the Hungarian government.

In the 1920s, the Foreign Office showed increasing interest towards Hungary, which reached its higher point during Barclay’s term, between 1924 and 1928. Main purpose of the British diplomacy was to maintain the balance of power in Central Europe, stopping the growing influence of France, therefore they kept an eye on the Hungarian situation as a neutral friend and follow their traditional balancing attitude. The Foreign Office supported every initiative by its communication sources which facilitated the stability in Central Europe, such as the Hungarian–Yugoslavian rapprochement, but kept itself far away from those actions which could jeopardize peace, such as the Rothermere campaign. During the years of the active Hungarian foreign policy, Barclay with his diplomatic experience could implement this task, meanwhile he managed to build a well-functioning informal network, which was supported by his popularity in Hungarian public circles. Not only the Foreign Office, but Hungarian politicians also appreciated his work.

After a temporary setback, when the Great Depression and its consequences were come into view, the Foreign Office had to cope with new problems in the middle of the 1930s and the British–Hungarian relations began to decline. As the German economic, political and ideological pressure increased step by step in Hungary, Great Britain paid less attention to the Hungarian situation. Reports sent from Budapest also showed the changing attitude of the Foreign Office. In the 1920s, minutes on the reports showed an active contribution how diplomats discussed Hungarian situation, which began to disappear in the early 1930s, and the Foreign Office only took notice the situation in Hungary. International political environment and progress in German–Hungarian relations urged the Foreign Office to reconsider their policy towards Hungary. O’Malley’s pro-Hungarian attitude was beneficial for Hungary, because of his previous experiment as Head of the Southern Department in the Foreign
Office, his opinion was taken into consideration in London. His suggestion to increase the British economic and diplomatic support for Hungary, was only partially accepted in London, but probably O’Malley’s character and his work also contributed to maintain diplomatic relations until April 1941.

The activity of the British Legation from 1924 to 1941 was essential to maintain cordial relations between Great Britain and Hungary, but only within the limits of the British goodwill. Work of the Legation proved to be a useful background, but it didn’t influence in major points the decision-making process. Memorandum of the Cabinet Office in 1931 summarized that Great Britain had no special interest in connection with Hungary, the British foreign policy only seek the proper way, how they could impact on Hungary and her neighbouring countries to accept her new position in Central Europe after the peace settlement, and facilitate the reconciliation among countries in this part of Europe.
List of publications related to the dissertation

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07 March, 2017