

-Thesis of PhD dissertation

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**Journalists and Foreign Traders
in the
Intelligence Services of the Kádár Regime**

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1. The background of the research and questions to be answered

In January 2014 I was invited by the Rendszerváltás Történetét Kutató Intézet és Archívum to write a study on any subject from 1989. Prior to this I was researched pre-1962 documents on the secret police organization, the Stalinist-style show trials and documents relating to the post-revolutionary repression at my workplace, the Historical Archives of the Hungarian State Security [Állambiztonsági Szolgálatok Történeti Levéltára, ABTL]. I knew mostly the documents of the political police "internal reaction security" specialized divisions. I have read the intelligence documents before mostly in connection with the Hungarian emigration.

Due to this request I started to study an emigration topic I have known before, and was also published in a short paper by Orbán-Schwarczkopf Balázs in the archive's online periodical, the *Betekintő* in 2008. The story was about to purchase the Griff publishing company of Újváry Sándor from his widow. It was regarded as one of the most famous publishing company among the Hungarian emigrants. The buyer was the Hungarian secret service, coordinated by the BM III/I. (Intelligence) Division. Their purpose was to influence the emigrants through this company. But after studying the documents it became clear that the main motivation behind the operation was business related rather than security measures.

The subject was interesting, as it highlights changes of the system, which have already been a topic of a lot of news articles. This aspect however was not studied by professional historians. I had the opportunity to see a tiny part of this activity through the files.

I was able to discover the operation of this criminal network, which is indeed interesting, but there is an even more interesting question: who were they, where they come from, there was only one smart officer behind the scenes, or there are deeper relations behind my findings.

As I proceed with my research it became clear that the key person in the operation was Siklósi Norbert, the head of the

The Radio Counter-intelligence Department of the Ministry of the Interior Methodology and Institutional Organization between 1945 and 1962. *Betekintő* 2012/4.

Cold Tracks. The Amateurs of the Secret Police. In: *Big Brother's Miserable Little Grocery Store. Studies on the History of the Hungarian Secret Services after World War II*. Edited by György Gyarmati and Mária Palasik. Historical Archives of the Hungarian State Security–L'Harmattan, Budapest, 2012. p. 233–250.

The Institutional Organization of the National Cipher Center between 1956 and 1962. *Betekintő* 2011/4.

Mail Censorship Methodology and Institutional Organization between 1945 and 1962. *Betekintő* 2011/2.

Proceedings against Lukács László and Others. *Studies of Hungarian History from the Sixteenth Century to the Modern Age*. Pázmány Historical Workshop 2002, p. 328-340

Poet Conspired into Espionage – Tumbász Ákos. *Trezor. Almanac of Historical Archives 2000-2001*. p. 267-278.

Zsuzsanna Borvendég– Mária Palasik : *Untamed Seedlings. Stalin's Plan for the Transformation of Nature in Hungary.* Napvilág Kiadó, Budapest, 2015.

Journalists in the Secret Services of the Kádár Regime. *Szakami Szemle* 2015/2. p. 14–31.

Intelligence'89. *Hitel* 2014/6. p. 38–56.

Target on the Horizon. Recruitment History of Imre Vámos. *Betekintő* 2013/3.

A Colonel of the State Security's Escape from Kádár's 'Liberlism'. In: *The Decades of the Dictatorship.* Edited by Miklós Horváth. PPKE BTK, Piliscsaba, 2013. p. 281–292.

The Cipher Center. In : *The Organization of Revenge. The Reorganizing and Methodology of State Security 1956–1962.* Edited by Gergő Bendegúz Cseh and Imre Okváth. Historical Archives of the Hungarian State Security–L'Harmattan, Budapest, 2013. p. 295–313.

Mail Censorship in the Ministry of the Interior. In : *The Organization of Revenge. The Reorganizing and Methodology of State Security 1956–1962.* Edited by Gergő Bendegúz Cseh and Imre Okváth. Historical Archives of the Hungarian State Security–L'Harmattan, Budapest, 2013. p. 315–335.

The Radio Counter-intelligence in the Ministry of the Interior. In : *The Organization of Revenge. The Reorganizing and Methodology of State Security 1956–1962.* Edited by Gergő Bendegúz Cseh and Imre Okváth. Historical Archives of the Hungarian State Security–L'Harmattan, Budapest, 2013. p. 337–347.

Deported 'Spies'. *Betekintő* 2013/1.

biggest newspaper publisher company, the Pallas Lap- és Könyvkiadó Vállalat. Siklósi is well known even now, often referred as „Uncle Norbi”. He was a powerful media mogul during the Kádár-era. His career has started just after the 1956. At the beginning of my research I have realized that the connection between the journalists and the secret services is a blind spot for the historians. There are a few study exist on this topic, but neither deals with the greater system behind its operation.

2. The followed methodology

The lack of any usable information on Siklosi Norbert made me look after alternative information sources to discover his work and connection network. To start the research I have studied his workplaces, such as the Federation of the Hungarian Journalists [Magyar Újságírók Országos Szövetsége, MÚOSZ] documents, the ABTL documents, and press articles from that era. This study led to success shortly: it has been proved that the intelligence press network is worth to study in more detail. I have continue the study with identifying the persons related to the case, collecting information on them in the archives. This work was similar to complete a puzzle. There were only small informations available at a time, and I had to find their place in the great picture. The fact that there were rivalry between the military and homeland security provided additional valuable information on the case by documenting each other operations. The study of the information led to interesting findings. There were investigations stopped due to the suspected intervention of the soviet intelligence. This investigation was a good source of the information, since well documented and available at the National Archives of Hungary [Magyar Nemzeti Levéltár Országos Levéltára].

I have also used company databases to find further information on connections, owner structure, etc., which helped me to move on with the research.

The above mentioned helped me to outline a connection network, which includes both companies and persons. Knowing this network I went to the MUOSZ archives. The

documents there are not well organized, difficult to research, but it was well worth to read through the papers. My main interest was the international operations of the MUOSZ, since it was evident that a mayor player was in this organization a covered company operated by the soviet secret service. My findings are confirmed that my theory is correct. Additional information also revealed, such as the way the soviet secret service funded the international communist organizations to increase the Bolshevik influence.

After revealing the context behind the operations I could run targeted searches for persons involved in those companies, which led to a new territory: the role of the foreign trades.

3. New results

The foundation of my work is considered to be a new statement in the historical literature. It was believed that the Hungarian intelligence was a weak and incompetent organization compared to other socialist countries. My finding are proving that there are other operations that modify this opinion.

The KGB operated International Organization of Journalists (IOJ) made operations in Hungary and its Hungarian member (MÚOSZ) had a key role in the secret operations. They main task was to help increase soviet influence in the IOJ. They had operated training center, recreation resort to provide optimal environment for international meetings.

The IOJ supported at least two business enterprises, which had gained major market share in Hungary: Interpress Nyomda és Lapkiadó Vállalat, and the Idegenforgalmi Propaganda és Kiadó Vállalat. Both had strong ties to KGB, however there are only indirect clues to this statement.

The military secret service illegal business operations were documented by the homeland security service, thanks to their rivalry. This supply new information and help to better understand the yet rather obscure military secret service role and how they operated covered companies to provide hard

cash, and how they transferred the money to off-shore accounts beginning from the 70-ies.

It turned out that some of the Hungarian foreign trade companies were controlled by the military secret service. It includes using stated owned companies to increase their management private wealth. These operations also revealed how they recruited „supporters” for their purposes.

I have explained a special terminology referring to corruption, called constitution expenses

I have summarized the hungarian engineering society works for the intelligence, which is also barely researched.

I have summarized aspects and methods of the business creation process in the military and civil secret services. I have pointed out the differences, their rivalry and how they tried to learn from each other.

4. Publications

Zsuzsanna Borvendég–Maria Palasik: Untamed Seedlings: Hungary and Stalin’s Plan for the Transformation of Nature. In *In the Name of the Great Work. Stalin's Plan for the Transformation of Nature and its Impact in Eastern Europe*. Edited by Doubravka Olšáková. Berghahn, Oxford, 2016. 126–225.

Journalists in the Web of the Soviet Committee for State Security. In *NEB Yearbook 2014–2015*. Edited by Réka Kiss and Zsolt Horváth. Committee of National Remembrance, Budapest, 2016. 271–296.

Disguised as Journalism. International Organisation of Journalist in Hungary. Hungarian Committee of National Remembrance, Budapest, 2015.