
Report by Deputy Prime Minister (Lajos Fehér) to the HSWP Political Committee on the State of the Hungarian People's Army and the Long Term Objectives of the Development of the Armed Forces

30 August 1963

TOP SECRET

Produced in: 1 copy

10/9/1963.

At its June 13 meeting the Committee for National Defense discussed the report submitted by Comrade Minister for National Defense on the state of the Hungarian People's Army and the long term objectives of the development of the armed forces. On the basis of the report the Committee for National Defense established that the targets prescribed in the plans until the year of 1962 had been accomplished as regards the development of the People's Army, some of which had even been beaten in certain respects.

The majority of the air defense troops and the operational forces are in constant alert.

The present forces of People's Army in time of peace number 106,400 (without those serving in the Air-raid Service), of which 92,700 are soldiers, 13,700 are civil staff; the number of "M" is 200-220. Between 1959 – 1962 20.8 billion Hungarian forints had been allotted to the development and maintenance of the army (46% of it to development).

As a result:

- our national air defense consists in 2 air defense divisions, equipped with modern missile and aircraft systems which enable them to carry out military operations. In accordance with the resolution of the Committee for National Defense the national air defense took over the job of guarding the air space of the country – in cooperation with the troops of the Southern Army Group;
- As regards the land forces, a new operational army had been established, consisting in 1 armored division, 2 fully and 3 partially filled motorized rifle divisions, and troops directly under the command of the army.

Since in the past few years the most important task was to modernize the national air defense, the majority of the available resources had been allocated to its development. Therefore the equipment of the land forces with materials and technology is still below the desired modern level both in quantity and in quality, and at present only a certain part of the army can be equipped with modern technology, which can only be done in varying degree with respect to the different kinds of materials and technology required for development. The material reserves of the army accumulated so far are sufficient only for the first few days of the initial period of the war, and the compensation for the losses in troops and materials is not resolved at the moment either from national industrial production or from import.

The officer staff of the People's Army is filled only up to 87.5%. By virtue of their low qualification some 30% of the professional officers can hardly meet the increasing demands of the army. Although the officers in reserve are sufficient in number, their qualification and abilities fall behind the required modern standards.

The main objective of the remainder of the second five-year plan is to strengthen the results achieved so far. We will continue to equip the land forces with modern armament and military technology, eliminating or at least reducing the present disproportion, we will also increase our material reserves and improve our cadre policy. By all these measures we will do our best to meet our obligations following from our membership in the Warsaw Treaty.

In May, 1963 we fixed in an official report the order of battle and the number of effective force with the Supreme commander of the Unified Armed Forces in Moscow which was later approved by the Committee for National Defense. Based on the adjusted data the direct national defense spending of the second five-year plan (1961-1965) increased from the originally planned 34.4 billion Hungarian forints to 39,7 billion HUF, which amounts to 4.8% of the national income. By 1965 the effective force of the people's Army in time of peace will be 112,000, of which 98,200 will be soldiers, 13,7000 civil employees, while the number of "M" staff will remain 200-220.

In the period of the third five-year plan the objectives of army development are as follows:

- modernization should continue, without fundamental changes in the present structure of the army. With a view to this by 1970 the effective force of the Hungarian People's Army in time of peace should be 120,000 – 122,000 (105,000 – 107,000 soldiers, 15,000 civil employees), the number in "M" can be 200 – 220.
- we should equip all the units partly with modern material and technical resources, and partly with old but still usable equipment redeployed from other areas. As a result the troops will be equipped with armament and military technology up to 90 – 100%. The proportion of modern resources will insure the first stage of the full modernization of the air defense forces and the land forces.
- Operational material reserves should be accumulated so that the material supply necessary in the first month of the war can be provided. The value of the reserves needed for the first month (together with those already available) amount to 10 – 12 billion HUF. These objectives are based on principles of well-balanced development.

Since certain objectives are not yet known, 10% of the 52 billion HUF and some 5,000 – 6000 troops should be considered as reserves. The reserves should be outlined for each year in a proportionate way. The use of the reserves must be decided on when the annual plans are prepared. The reserves not used in the actual year can be utilized in the next years depending on the needs of development and the current situation. The effective force numbers and the financial resources do not include the needs of the Staff of the National Air-raid Defense System. With respect to this body the Minister of National Defense will submit a separate proposal by the end of the year.

In addition to the direct national defense spending the plans concerning the preparation of the seat of military operations will be finalized by the June of 1964, together with the various ministries involved. The likely

expenses of these are estimated to be some 5 – 8 billion HUF, and the concrete plans will be worked out in the coming months based on the requirements of the Supreme Command of the Unified Armed Forces in accordance with the resolution of the Political Consultative Committee. The costs of most of the tasks involved in the preparation of the seat of military operations must be allocated at the various ministries as an organic part of the people's economic plans, partly as the direct needs of the Hungarian People's Army, and partly as the needs of the allied forces.

The Committee for National Defense agreed with the directions and the objectives of the development of the national defense for the remaining years of the second five-year plan, took cognizance of the proposals of the Minister of National Defense as basic principles of development for the period of 1966 - 1970, and ordered the Minister of National Defense to carry out the necessary planning in great detail.

The successful implementation of the development of the army also entails several tasks on various other bodies of the people's economy, in the first place on the National Office of Planning and various different ministries. The Committee for National Defense has accepted a resolution to this effect too.

DRAFT Resolution

1. The Politburo took notice of the report with approval. All those involved should make every effort to carry out the required work in accordance with the objectives spelled out in the report.
2. The Politburo commissions the Minister for National Defense to examine the necessary steps – in cooperation with the Supreme Command of the Unified Armed Forces – that must be taken in accordance with the resolution of the Political Consultative Committee made in July 1963 and to submit his proposals to the party leadership and the government in 1964.

Budapest, August 30, 1963.

Lajos Fehér

[Translation by Andreas Bocz]