GREECE

PARTICIPATION BY THE UNITED STATES IN THE NEGOTIATIONS CONCERNING RELIEF SUPPLIES FOR AXIS-OCCUPIED GREECE

868.48/1172 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, December 3, 1941—11 p. m.

5630. Berry, Second Secretary at Rome, who has just returned from Athens where he has been distributing British relief payments, confirms reports of unparalleled suffering in Greece and states that mass starvation is now a fact there. The Embassy in Rome emphasizes that a chief German propaganda argument in Greece, and one which is having effect in causing even staunch supporters of Britain in Greece to waver in their loyalty, is a report that the British Government refuses to permit Australian wheat, bought by the Royal Greek Government and already shipped as far as Egypt, to be sent on to Greece.

Mr. MacMurray 1 reports that the Turkish people have been asking themselves whether it is worthwhile for Turkey to resist aggression if nations such as Greece are allowed by Britain and America to starve after they resist gallantly but are overrun.

Please make known these reports to the British authorities. In view (1) of the appalling need in Greece, (2) of the fact that even well-disposed Greeks are reported to resent the withholding of wheat already purchased, and (3) of the effect on Turkey of the policy adopted with regard to the relief of Greece, the British Government may consider it desirable for the wheat in question to be permitted to be shipped from Egypt, on the understanding that the distribution in Greece will be under the supervision of the International Red Cross representative there and that Berry will be permitted to visit Greece freely and to report on conditions there. Alternatively, the British Government might wish to consider the possibility of permitting the wheat in Egypt to be shipped to Turkey with the understanding that the Turks would release an equal amount for direct shipment to Greece. The American Em-

1 J. V. A. MacMurray, Ambassador in Turkey.

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bassy at Ankara has already discussed with the Turkish authorities the possibility of making shipments of wheat from Turkey to Greece and has found those authorities receptive provided that any wheat supplied by Turkey is replaced at an early date from some other source. Such replacement was said to be imperative in view of the existing shortage in Turkey.

The Department considers that the general question of the policy to be adopted with regard to the relief of Greece, and particularly the political considerations involved such as the effect of this policy on Turkey, is primarily for the British Government to decide. The Department will be glad to cooperate, however, with regard to any feasible measures for the relief of Greece and believes the situation there to deserve particularly sympathetic consideration.

HULL

868.48/2011

The Greek Minister (Diamantopoulos) to the Secretary of State

No. 3633 Washington, December 22, 1941.

Your Excellency: I have the honor to transmit to you herewith the text of a cabled appeal sent by the Prime Minister of Greece, Mr. Emmanuel Tsouderos, to the President of the United States, and to beg that you be kind enough to communicate this message to its high destination.

Accept [etc.]

C. DIAMANTOPOULOS

[Enclosure]

The Greek Prime Minister (Tsouderos) to President Roosevelt

Mister President: The food situation in Greece has become desperate. Accurate information from various sources confirms that people are dying in the streets from starvation. During the last weeks daily deaths in Athens and Piraeus amount to five hundred conservative estimate, other reports state one thousand. This information is confirmed by representatives of International Red Cross and Red Crescent accompanying shipments of foodstuffs for Greece. I am indeed grateful to the British Government for allowing shipment to Greece despite blockade regulations of small quantities of foodstuffs produced in Turkey. These do not exceed 4,000 tons monthly. However, an unending insistence in refusing shipments of wheat threatens to bring about a real disaster in that gallant country and to contribute to the annihilation of the race. The emotion of the Greeks is indescribable in face of this situation.
and from every quarter within and without Greece I receive desperate appeals on behalf of our starving people. The principle according to which the invader is obliged to feed the population in occupied areas is one of International Law but the brutal Germans have long since discarded respect for any law and their only object is the reduction of the world by fire, sword and famine. Therefore, we cannot take refuge behind a principle of International Law and deliberately ignore a state of affairs which exists. We have not ceased believing in blockade as a means of waging war but every measure however necessary for carrying on the war when it overlooks in its application those principles which are imposed by our duty towards defenseless human beings will I fear be very severely criticized and condemned by History. I believe that if my expressions are sharp they will be judged by the measure of my grief and I pray that in interceding on behalf of the Greeks you forgive the manner in which I put my thoughts and feelings before you.

Tsouderos

868.48/2012

The Greek Minister (Diamantopoulos) to the Under Secretary of State (Welles)

[WASHINGTON,] December 24, 1941.

My Dear Mr. Secretary: Monday last I had the opportunity of submitting to the State Department a cabled message of Prime Minister Tsouderos of Greece to President Roosevelt describing the awful situation of the Greek people from the viewpoint of foodstuffs.

In this letter I shall limit myself to the statement, based on reliable sources, that the number of deaths from starvation in Athens and Piraeus alone, run from 600 to 1000 daily, most of whom are children. Moreover, there is information given by a German newspaper to the effect that the Medical Society of Athens has requested permission of the Oecumenical Patriarch, religious head of all Orthodox people, to cremate the dead, due to lack of time to bury them as required by the established Orthodox ritual.

In the face of such tragic conditions, I venture to suggest to Your Excellency, who has always been kindly interested in all matters affecting Greece, that the American Government take advantage of the presence in the United States of The Right Honorable Winston Churchill to further investigate the possibility of giving immediate relief to the suffering Greek people.

2 December 22, 1941.
3 The British Prime Minister was in Washington to confer with President Roosevelt.
May I be permitted to believe that Greece, having waged its heroic struggle against the Axis Powers in the pursuit of the common victory, shall be deemed worthy, today when the entire Greek race is vitally threatened, to receive a token of special consideration on the part of the two great nations, who alone are in a position to give her practical relief in her present plight.

Hoping that Your Excellency will concur in the timeliness of my suggestion, I remain

Yours sincerely,

C. P. DIAMANTOPOULOS

868.48/1194

The Secretary of State to President Roosevelt*

WASHINGTON, December 31, 1941.

MY DEAR MR. PRESIDENT: There is enclosed a communication from the Prime Minister of Greece, Mr. Tsouderos, addressed to you,5 which the Greek Minister in Washington has delivered to the Department under instructions from his Government. The communication expresses the earnest hope that permission will be granted for relief supplies notably wheat, to be sent to Greece.

There is attached a suggested reply to the Greek Prime Minister, for your consideration.

There is also enclosed a copy of a letter from the Greek Minister in Washington, dated December 24, 1941,6 suggesting that advantage be taken of the presence of the British Prime Minister in Washington to discuss with him the question of possible measures for the relief of Greece. It seems to me that the Greek Minister’s suggestion merits consideration, in view of the necessity of coordinating our policy with that of Great Britain in the matter of relief for Axis occupied areas.

The information which the Prime Minister reports regarding the appalling conditions in Greece are similar to those we have received from our own missions in Rome, Ankara and Cairo. There can be little doubt that conditions in Greece are desperate. The Second Secretary of our Embassy in Rome, who recently visited Greece, reports that mass starvation is a fact there at present.

As you are doubtless aware, some food has been sent into Greece from Turkey recently, and further shipments are planned, on a small Turkish freighter. The food has been purchased in Turkey by the United Kingdom Commercial Corporation, an agency of

* Notation on original: “CH OK FDR.”
5 Ante, p. 725.
6 Supra.
the British Government, which has advanced the funds on the assurance of being reimbursed in part at least by the Greek War Relief Association, an American organization headed by Mr. Harold Vanderbilt. The Turkish Red Crescent has cooperated in the arrangements and has contributed some supplies.

But the relief supplies being sent to Greece from Turkey constitute merely a token, and there are many things, such as medical supplies, vitamin concentrates, and milk for children, which may not be obtained in Turkey at all. Small quantities of such supplies are available in Switzerland which could be shipped to Greece. The British Government’s attitude regarding supplies already in Europe and therefore potentially available to the Axis is, I understand, to encourage the use of such supplies by non-Axis nationals, as a means of reducing the supplies the Axis might obtain. A difficulty is presented to us by the fact that before materials such as medical supplies and condensed milk can be purchased in Switzerland for shipment to Greece, funds must be transferred to Switzerland for their purchase.

Mr. Norman Davis⁷ has recently given considerable attention to the Greek situation and has written to the Department, on December 15, 1941,⁸ recommending that the American Government grant permission for the transfer of 158,000 Swiss francs (about $38,000) to the International Red Cross at Geneva for medical supplies, vitamins, sera, and condensed milk to be sent to Greece. The funds would be supplied by the Greek War Relief Association, in an earmarked contribution to the American Red Cross. The Red Cross would assume charge of the matter, and the representative in Greece of the International Red Cross would supervise the distribution in Greece, to assure its use by the Greek people themselves. I recommend that the American Government’s permission be granted for this transaction.

Mr. Davis is also considering the urgent need of Greece for wheat. The Turkish authorities might be persuaded to permit wheat to be shipped to Greece immediately from their own meager supplies if assured that an equivalent amount of wheat, in replacement, would be sent to Turkey at an early date. The Turkish Government has shown a desire to do what it can for the relief of Greece, and has been deeply moved by an appeal of the refugee Greek authorities to send to Greece even “fish heads and scraps which the Turks would not eat”. The Turks, however, have barely enough wheat for their own urgent needs. I recommend, subject

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⁷ Chairman, American Red Cross.
⁸ Letter not printed.
to your approval, that we inform Mr. Davis that this Government looks with favor, in principle, on arrangements for sending wheat to Greece from Turkey against an undertaking, if necessary, by the Red Cross to replace the wheat shipped from Turkey.

Faithfully yours,

CORDELL HULL

[Enclosure]

Draft of Letter From President Roosevelt to the
Greek Prime Minister (Tsouderos)*

MY DEAR MR. PRIME MINISTER: The distressing situation which exists today in your noble country, depicted in your recent letter, moves me very deeply indeed. The information you report is similar to that which other sources have confirmed all too unmistakably. No further evidence is necessary to convince any humane person, whatever his allegiance, that countries which have been overrun by Axis tyranny, and notably Greece, are in desperate want, and should be aided by every feasible means.

The American Government has given serious consideration to proposals for furnishing relief to Greece, has cooperated in arrangements for sending food supplies from Turkey, and is at present giving active attention to suggestions for more adequate relief.

Our endeavors to aid Greece are limited by the necessity of avoiding any action which would assist the Axis Powers. The unconscionable actions of the Axis forces in despoiling Greece are beyond adequate condemnation. As you are doubtless aware, Hitler has boasted to the world of Germany’s resources of food at the very moment he was giving orders for the removal from Greece of the meager supplies which were available to the people of that country. We should not lose sight for one moment of the full responsibility of the Axis for the situation existing in occupied territory and of the crimes which should be on the consciences of those who have ordered and those who have carried out measures which have taken even the grain seed away.

I concur, however, in your view, Mr. Prime Minister, that the fact that the Axis powers have every duty to feed the peoples over whom they have extended their domination does not alter the fact that the people are in desperate need. The American Government will continue its efforts to find a means of bringing aid to the Greeks in their tragic plight without compromising the prime

*Filed separately under 868.48/2012. A penciled notation by Mr. George V. Allen of the Division of Near Eastern Affairs states this letter was signed by President Roosevelt on December 31, 1941.
objective; namely, victory over the Axis powers. This objective is as vital to the Greeks as to ourselves, since Greece can be fully relieved only through such victory.

Very sincerely yours,

Memorandum of Conversation, by the Assistant Secretary of State (Berle)

[WASHINGTON,] December 31, 1941.

The Greek Minister came in to see me at his request. He referred to previous discussions we had had about the growing starvation in Greece, to his conversation with Mr. Welles and to a conversation he had had with Mr. Norman Davis on Monday of this week.¹⁰

He said that the Turkish Government had made available to them a ship, the Kourtoulus, which had made two monthly trips from Turkey to the Piraeus, and had thereby carried food enough to enable the Greek Relief to give one hundred fifty thousand soup rations per day. Now they were informed that the Turkish Government had commandeered the ship.

He wondered whether we could take this up with the Turkish Government, encouraging them, if possible, to revoke the order and permit them to go on using the ship, and to ask that if they could not do that whether the Turkish Government could make any helpful suggestion.

He said that he had agreed with Norman Davis that wheat must be brought into the Near East since there was no surplus of wheat. Egypt and Turkey herself were beginning to go on short rations. The plan he had worked out was as follows:

1. To see whether wheat could not be loaded on the American transports going to Egypt. He asked whether we would undertake to find out how far this could be done. I said we would endeavor to tackle it with the Maritime Commission.

2. They had a fleet of ships now operating for the British. Under their agreement with the British they had the right to withdraw two of these to carry foodstuffs to Greece. He proposed to withdraw these ships and start them carrying wheat for Egypt to build up a stock there.

3. They also had some ships which were being used by the Swiss and they had the right to withdraw one or perhaps two of these ships. With these he proposed to carry the wheat from Egypt to Turkey, and thence to Piraeus. He thought it unlikely that direct communication would be permitted between Egypt and Greece.

¹⁰ December 29, 1941.
The tragedy of this, he said, was that arrangements might not be completed within two or three months. For that reason he hoped we could expedite matters and keep the Turks supplying some food to Greece. A voyage from the United States to the Near East, at present schedules, took something like sixty days—and many hundreds were dying daily.

I said I would see what could be done about our end of it, and expressed my sympathy and horror at the Greek situation.

A. A. B[erle], JR.

868.48/1172 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, January 5, 1942—7 p. m.

44. Please expedite reply to Department’s no. 5630, December 31 p. m. Specific information would be helpful regarding the alleged payment by the Greek Government for Australian wheat shipped as far as Egypt and held there by the British Government. Rumors regarding such wheat continue to circulate in Greece, and Axis propaganda has not failed to take advantage of them.

Hull

868.48/2013a

The Under Secretary of State (Welles) to the Greek Minister (Diamantopoulos)

WASHINGTON, January 7, 1942.

My Dear Mr. Minister: I refer to your letter of December 23 [22], 1941, transmitting a communication from His Excellency Emmanuel Tsouderos, Prime Minister of Greece, addressed to the President, regarding the situation in Greece and the need for relief supplies to be sent to that country. I also refer to your letter of December 24, 1941, in which you suggest that advantage be taken of the presence in the United States of the British Prime Minister to discuss with him the question of the relief of Greece.

The communication from the Greek Prime Minister and a copy of your own letter were placed before the President. Mr. Roosevelt has now requested me to transmit to you, for forwarding to its high destination, his reply to Mr. Tsouderos’ communication. I have pleasure in enclosing the President’s response.11

Sincerely yours,

Sumner Welles

11 Not attached to file copy, but see draft of letter from President Roosevelt to the Greek Prime Minister, p. 729.

428310—62—47
The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 13, 1942—2 p. m.

[Received 5:47 p. m.]

180. Department’s 5630, December 3, 11 p. m. and Department’s 44, January 5, 7 p. m. I have just received the following letter dated January 12 signed by Mr. Eden: 12

"I have seen your letter of the 6th of January to Sargent 13 about food for Greece.

I am very sorry indeed that we have not so far been able to give you a reply on this question. The reason is that the subject is receiving immediate and very serious attention at this moment and we wish to let you have our considered views.

I will write to you again immediately I am in a position to do so.

I can, however, give you the facts as regards the Axis propaganda story that we are preventing the despatch to Greece of wheat bought by the Greek Government. There were at the time of the occupation of Greece several cargoes of wheat and flour afloat which had been purchased by the Greek Government. The situation was fully discussed at all stages with the Greek authorities, in particular with the Greek Shipping Committee, and it was agreed that His Majesty’s Government should take over the cargoes of cereals owned by the Greek Government at the free on board price paid by them. It was also agreed that should any of the cargoes be required for the purposes of the Greek Government in unoccupied Greek territory or for the Greek forces, they could be released for that purpose. At no time was any objection raised to this arrangement by any Greek authority though the Greek shipping committee did ask that the goods should be transferred to His Majesty’s Government by way of agreement rather than by requisition, a request which we were glad to meet. The cargoes in question have of course long since been disposed of by the Middle East Supply Center. You will appreciate therefore that there is no substance whatever in the allegation that we are preventing the despatch of these cargoes to Greece.

As the Greek authorities acted throughout of their own free will in the arrangements made as regards these cargoes we have so far thought it best not to broadcast the full facts of the case in answer to the Axis stories, since we do not wish to cause any possible embarrassment to the Greek Government. It is, however, obvious that Allied shipping could not proceed to enemy occupied ports and the arrangements agreed upon between ourselves and the Greek Government were clearly necessary and reasonable.["]

WINANT

12 Anthony Eden, British Secretary of State for Foreign Affairs.
13 Sir Orme Sargent, British Deputy Under Secretary of State.
The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 17, 1942—4 a. m.
[Received 6:45 a. m.]

249. Following up my message 180 of January 13th in which I forwarded a communication from Mr. Eden on the question of food shipments to Greece through the British blockade, I am attaching a memorandum given me this evening by the Foreign Office with a request for comment and reply.

The delay in getting a decision on this matter and in answering the Department’s cable 5630 of December 3rd stemmed from the same source. More than 2 months ago I took up with the Foreign Office the need of sending foodstuffs to Greece and also mode of getting reestablished the quota for meat allowed to pass through the British blockade for French prisoners of war in Germany. The British position on both these issues were making enemies for her in both Greece and France. Eden promised to assist but had to leave for Russia and delegated the task to Sargent in the Foreign Office. Both issues went before the Cabinet and Dalton, Minister of Economic Warfare, got them turned down. Eden has been able to get a reversal on these positions since his return. He tells me that although Cabinet authority has been granted to attached memo for only that one shipment of wheat to Greece it is realized that in making this concession monthly shipments will follow.

I talked over these two problems with Burckhardt 14 who was here for the Red Cross and also the possibility of doing something for Greek children. The British are discussing with the Greeks the possibility of evacuating a large number of them although I am very dubious about the successful culmination of this plan. I also arranged a meeting between Maisky 15 and Burckhardt to discuss prisoners of war problem. Maisky told me on his return here that he had urged his Government to take action in relation to the treatment of prisoners of war as recognized under the Geneva Convention. 16 Eden supported him in this.

I had hoped that the Russians might sign the Geneva Convention or at least agree to adhere to its provisions on a reciprocal basis. Brutal practices in the treatment of some prisoners are apt to affect the treatment of all prisoners captured in the same area.

14 Charles J. Burckhardt, President, Mixed Commission of the International Red Cross.
15 I. M. Maisky, Soviet Ambassador in the United Kingdom.
Burckhardt was there when we were attacked by Japan. I knew him when I was in Switzerland and more particularly Huber, Chairman of the International Red Cross. Burckhardt brought me a message from him. I am sure that they will want to protect our interests.

The aide-mémoire from the Foreign Office follows.

"The Cabinet have given the most serious consideration to Mr. Winant's letter of December 11th. Reports reaching His Majesty's Government agree with the information of the United States Government as to the deplorable and terrible conditions existing in Greece and His Majesty's Government have also reached the conclusion that some relaxation of the blockade in the Greek favor is now imperative. Of the two proposals contained in the telegram from the State Department enclosed in Mr. Winant's letter His Majesty's Government greatly prefer the former, namely the despatch of a single cargo of wheat to Greece under the auspices of the International Red Cross. It is considered that this proposal is likely to be both more expeditious and effective in practice and more easily justified against the general background of the blockade.

2. His Majesty's Government are grateful for the public support which Mr. Hull has given to their blockade policy and particularly to the basic principle that Axis are responsible for the territories they have overrun. His Majesty's Government are indeed fully conscious that without the support they could not have maintained the blockade in the face of the insistent and moving appeals of the various allied governments notably the Belgian Government. The making of the concession to Greece now contemplated will inevitably lead to a renewal of these appeals and it will be impossible for His Majesty's Government to maintain their position unless the United States Government are ready to continue their support and associate themselves fully and publicly with the measure now proposed.

3. As regards the immediate steps to be taken His Majesty's Government propose to instruct the Minister of State at Cairo to arrange with the International Red Cross for the immediate despatch of a large shipload of wheat from Alexandria to the Piraeus. The International Red Cross will be asked to obtain a safe conduct from the Axis and to supervise distribution through its organization already existing in Athens.

4. It is not proposed to give any advance publicity to this shipment but when it becomes necessary to make a statement it is suggested that generally similar engagements might be issued in London, Cairo.

The United Kingdom and United States Governments have viewed with increasing dismay the appalling conditions observed in Greece. Despite their undoubted ability to do so, the German Government have done practically nothing to meet the situation created by the pillage and extortion of their Armies in the spring of 1941. They have indeed shown themselves quite indifferent to the fate of the Greek population, no doubt because the industrial resources of Greece are too small to be of any value to the German war machine.

His Majesty's Government and the United States Government have accordingly authorized a single shipment of 8,000 tons of wheat to Greece to be
applied under the auspices of the International Red Cross in relief of the present emergency. This is an addition to the existing relief schemes namely shipments of foodstuffs from Turkey (not justifiable inside the blockade area) and the proposed evacuation of Greek children and nursing mothers.

The two Governments, nevertheless, continue to maintain in the most categorical manner that it is incumbent upon the enemy to feed the countries occupied by him and their policy in this respect remains unaffected by the exception which it has been found necessary to make in the special circumstances obtaining in Greece.

5. His Majesty's Government would be glad to receive urgently the observations of the United States Government on the foregoing more especially as to their willingness to lend the indispensable weight of their authority to the proposed policy."

WINANT

868.48/2008 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, January 21, 1942—7 p. m.

247. Your 249, January 17, 4 a. m. British aide-mémoire and suggested public announcement are under urgent consideration. Meanwhile, the following telegram no. 92, January 17, 2 p. m., has been received from Stockholm:

"Foreign Office states that Swedish Red Cross has arranged to send the Swedish ship Hallaren of about 5,000 tons to Greece to transport children to Turkey and return to Greece with food supplies for starving population. Foreign Office has obtained British approval\textsuperscript{17} and is today approaching the German and Italian Governments. Provided Axis approval is granted, this ship will presumably remain in the Mediterranean plying back and forth between Turkey and Greece as long as conditions warrant."

HULL

868.48/2008 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, January 21, 1942—10 p. m.

254. Your 249, January 17, 4 a. m. The British aide-mémoire and the suggested statement for issuance in Cairo and London have been carefully considered. It is observed that the British Government contemplates (1) the shipment of 8,000 tons of wheat from

\textsuperscript{17}Telegram No. 398, January 28, 5 p. m., from the Ambassador in the United Kingdom, quoted a letter from the British Foreign Minister in which it was stated that the British Government had agreed to pay the cost of chartering the S. S. Hallaren on a non-profit basis (868.48/2015).
Egypt to Greece in the near future provided adequate safe conduct is obtained from the Axis and provided the International Red Cross will supervise the distribution in Greece, (2) a continuation of existing relief schemes involving shipments to Greece from Turkey, and (3) the possibility of evacuating from Greece children and nursing mothers.

Please inform the Foreign Office that the American Government has no hesitancy in assuring the British Government of its readiness to continue to support the principle of relief for Greece in the manner suggested, and concurs in the suggested statement quoted in Section 3 of your telegram under reference.\(^{18}\)

The aide-mémoire makes no reference to the financing of the contemplated measures. The Department assumes that any American funds which may become involved would be transferred to the United Kingdom.

HULL

868.48/2040

The King of the Hellenes (George II) to President Roosevelt \(^{19}\)

On behalf of my distressed and suffering countrymen, may I appeal to you, Mr. President, as the head of the great American Nation, whose beneficent help and humanitarian ideals have contributed so much to alleviate man’s suffering throughout the world, to inaugurate relief for Greece by supplying its eight million inhabitants with the bare necessities of life. If this relief is not granted immediately the present appalling situation will continue and thousands more of my countrymen will surely die of starvation. An outstanding citizen of your country could, with the aid of the International Red Cross Committee, rally the necessary support and thus prevent what threatens to be one of the great tragedies of modern times.

Due to the fact that the quickest possible way of supplying Greece is the purchasing and transporting of foodstuffs from the Middle East, principally from Turkey, I venture to suggest that the American personality in question be provided with the necessary funds and be entrusted with the task of coordinating and supervising on the spot the whole effort.

LONDON, February 6, 1942.  

GEORGE II

\(^{18}\) Statement quoted in paragraph numbered 4, p. 734. The statement was made by the British Minister of Economic Warfare in the House of Commons, January 27, 1942; see Department of State Bulletin, January 31, 1942, p. 93.

\(^{19}\) Sent to the Under Secretary of State by President Roosevelt on February 12, with the following memorandum: “This was brought in by the Greek Minister and I talked the situation over with him. I do not know whether this calls for a reply or not. What do you think? F.D.R.”
The Greek Minister (Diamantopoulos) to the Acting Secretary of State

WASHINGTON, February 17, 1942.

My Dear Mr. Secretary: I am instructed by my Government to convey to the President the heartfelt thanks of His Majesty the King and the Prime Minister for the keen interest he showed in the question of supplying foodstuffs to Greece, to which I had the honor of calling his attention last week.

Concerning the President's suggestion about Mr. Henry Morgenthau,20 my Government wish to state that no one in Greece has forgotten the valuable and devoted services Mr. Morgenthau rendered during the trying years of the influx of the Greek refugees from Asia Minor.

I desire also to advise Your Excellency that according to latest information from our Legation in Ankara the situation in Greece is becoming worse and worse, and that any decision would be most welcome.

With kindest regards [etc.]

C. DIAMANTOPOULOS

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The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, February 17, 1942—6 p.m.

616. Greek War Relief Association desires to charter Swedish Vessel Industria now in New York for single voyage to Turkey with 2,300 tons of flour to be furnished Greece under Lend-Lease. Turkish Government would be requested, when vessel is ready to sail, to permit equivalent amount of flour to be sent to Greece at once, and Industria cargo, upon arrival, would consequently enter Turkish stocks as replacement. Since vessel will be ready for loading February 19 and time is needed for accumulating cargo, views of British Government are urgently requested. The Department, after consideration, is inclined to view the plan with favor, on the clear understanding that approval is granted for a single shipment of 2,300 tons.

Hull

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The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 18, 1942—4 p. m.  
[Received February 18—3:45 p. m.]

752. Your 616, February 17, 6 p. m. This question has been taken up urgently with the Foreign Office which is hopeful that it can obtain prompt agreement of the authorities concerned to permit this shipment direct to Greece. It is doubtful whether it can obtain agreement for shipment to Turkey. However, it thinks that direct shipment from New York would reach Greece as quickly as proposed shipment from Turkey because of probable delay in negotiations with Turkey and particularly in view of lack of available ships in Turkish ports.

WINANT

The Chargé in Turkey (Kelley) to the Secretary of State

ANKARA, February 21, 1942—7 p. m.  
[Received 9:43 p. m.]

96. Your 47, February 7, 7 p. m. 21 The Minister for Foreign Affairs 22 with whom I have twice discussed the matter informed me today that his Government does not feel that it is in a position to send wheat to Greece at the present time. However, if the improvement in the weather continues during the next few weeks the Government expects the peasants to bring more grain on to the market and in such event it may be found possible to release some wheat for Greece. It is emphasized that Turkey at the moment was living from hand to mouth in respect to wheat and that the Government has been having great difficulty in maintaining adequate supplies for the cities.

In referring to conditions in Greece he said that the Turkish Government had agreed to take a thousand Greek children who would be brought to Turkey on the second next return trip of the Dumlupinar. In response to an inquiry he said that this boat (which is sailing today with 2,100 tons of foodstuffs) would continue to be available to transport food supplies to Greece but that the kinds of food shipped would have to vary from trip to trip inasmuch as Turkey was running short of some of vegetables hitherto sent. He said that the Turkish Government realized that

21 Not printed.
22 Sükru Saracoğlu.
the next 2 months would be a very critical time for Greece and was desirous of giving all aid possible.

In view of reports that the present voyage of the above mentioned ship would be the last the British Chargé (who transmitted a personal message from his Government) and the Greek Ambassador made representations to the Minister for Foreign Affairs last Tuesday with regard to continuation of shipment of provision to Greece during at least the next 2 months.

KELLEY

868.48/2035 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 22, 1942—midnight.
[Received February 23—2:10 a. m.]

845. I have just received the following letter from Mr. Eden of the Foreign Office:

“As you know the 8000 tons of wheat which His Majesty’s Government and the United States Government decided should be sent to Greece through the blockade as an exceptional emergency measure will if all goes well be shipped shortly from Haifa.

This concession by no means satisfied the Greek Government and the Greek Prime Minister has hinted that he will resign if further shipments are not allowed. It is indeed clear that the famine in Greece is on too large a scale for this single shipment to make any appreciable impression and all reports indicate that the situation has if anything deteriorated further. We have reached the conclusion therefore that as an exceptional case further shipments of wheat or flour to Greece should be arranged though the objections to allowing relief through the blockade to other occupied countries are as strong as ever.

There are, however, many disadvantages in making piecemeal concessions. These would involve allowing unconditional and therefore entirely uncontrolled shipments; upsetting the program of the Middle Eastern Supply Center; temporarily withdrawing tonnage urgently needed by our own war services; and setting a precedent for uncontrolled relief which will be invoked by the governments of other occupied countries. We consider therefore that strict conditions should be laid down for further relief shipments to Greece.

In particular we should in order to save our shipping resources insist that future shipments shall be made in neutral ships (not now under Allied charter) and with neutral crews and that these ships should be given safe conducts enabling them to go to the country where wheat is produced and carry it direct to Greece. A suggestion that the Axis should be made to release Greek ships under their control for the proposed shipments has been examined but rejected because there are not many of these vessels; they are
in bad condition and their tonnage is unsuitable. We understand, however, from His Majesty’s Minister of [at] Stockholm that there are number of suitable Swedish ships available in the Baltic and we hope it may be possible to induce the Swedish Government to allow them to be chartered and to encourage Swedish Red Cross to undertake distribution in Greece under the auspices of the International Red Cross. There is evidence that the Swedish Red Cross will be willing to undertake work of this kind and it is thought that they are in a better position to do so than the International Red Cross itself.

As regards quantities, the Greek Prime Minister has asked for 33,000 tons a month which is about the total average import in normal years. There could be no question of our undertaking to supply so large an amount. The quantity to be supplied under the scheme now proposed must be governed by the shipping available. To give an example regular shipments of 15,000 tons a month from Canada would, we understand, require not less than 6 ships of 5,000 tons gross tonnage each.

We should of course like the United States Government to be associated with us in this matter and the procedure we would propose to adopt is to ask the Swedish Government whether they will offer the use of Swedish ships for the purpose indicated and also offer the service of the Swedish Red Cross to supervise distribution. We should go on to say that if they will do so we would suggest that they should so inform the International Red Cross for communication to the occupying powers in Greece, adding that they understand that the United States and United Kingdom Governments would agree to the use of the ships for carrying wheat or flour to Greece subject to the five conditions enclosed herewith.

The two footnotes are not for communication to the occupying powers: There [They?] will be covered by our making clear to the Swedes that the whole proposal depends on (a) their requesting safe conducts for their ships to the point of loading, and (b) their being able to make satisfactory arrangements for the proposed commission of control to report fully to us.

We have attempted to draw up the conditions in such a manner as not to provoke their rejection by the Germans on prestige grounds but they do in fact represent what we regard as the most reasonable conditions we can offer and it is not our intention to enter into debate with the Axis about them.

I should be most grateful if you could ascertain as a matter of great urgency whether your Government would be agreeable to proceeding on these lines.

It would be appreciated if the approval of the United States Government if given could cover our putting the proposal to the enemy powers through the International Red Cross ourselves should the Swedes not be willing to do so.

I would add that as the above arrangements must, of course, take some time to come into effect we are considering your memorandum of the 18th February about the despatch of the Industria from the United States to Turkey as a separate question. I hope to let you have a reply as regards this in the very near future.
Following is the enclosure to the above quoted letter:

"1. All belligerents to give safe conduct in both directions for ships engaged in carrying foodstuffs to Greece for distribution as relief under this scheme.
2. A neutral commission to be established in Greece and have under its direct control the distribution of all goods imported as relief.
3. Foodstuffs imported as relief through the blockade to be reserved solely for the Greek population and to be distributed where in the opinion of the commission the need is greatest.
4. Foodstuffs originating in Greece to be reserved solely for persons normally resident in Greece in peacetime except as to any foodstuffs consumed in Greece by the armed forces or officials of the occupying powers are replaced by equivalent imports of foodstuffs into Greece for the Greek population.
5. The commission to have the right and duty to verify by direct observation that these conditions are fulfilled, to be sufficiently numerous and to maintain a sufficient staff, and to enjoy (with its officers) such complete freedom of movement and facilities for inspection and inquiry as are necessary for this purpose.

Footnote[s]

(a) If as is contemplated the ships used for the relief mission are Swedish the safe conducts will have to cover the original voyage from the Baltic to the port of loading.
(b) In addition we shall require an assurance that the commission will be able to report fully to His Majesty's Government on all matters connected with the working of this scheme."

WINANT

868.46/2040

The Under Secretary of State (Welles) to President Roosevelt

WASHINGTON, February 23, 1942.

MY DEAR MR. PRESIDENT: You will recall that the attached communication from the King of Greece 23 was delivered to you recently by the Greek Minister, appealing for the relief of Greece and suggesting that you send an outstanding American citizen to the Near East, supplied with the necessary funds, to supervise the relief of Greece from that area.

The Greek Minister has informed me that he reported to his Government your intimation that Mr. Henry Morgenthau, Senior, might be entrusted with the assignment. The Minister has now been instructed by his Government to state that no one in Greece has forgotten the valuable and devoted services which Mr. Morgenthau rendered during the trying years of the influx of Greek refugees from Asia Minor.

23 Dated February 6, p. 736.
I attach for your consideration a suggested reply to the communication from King George II, which avoids any direct commitment regarding his appeal (1) for funds or (2) for the designation of an emissary. If, however, you desire to take some action now on these two questions, a more positive reply to the King would be possible.

I am inclined to believe that the appointment of a prominent American to act as your representative to investigate the question of according relief to occupied areas, notably Greece, would serve a useful purpose in convincing the residents of those areas of the American Government’s interest in their tragic condition and might also result in means being found to accord them more relief supplies than at present, without injury to the war effort. It might not be necessary for your representative to visit the Near East in person, at least for the present, since we already have considerable information regarding conditions in occupied areas and feasible means of relief which we could place readily at his disposal.

Faithfully yours,

SUMNER WELLES

[Enclosure]

Draft of Letter From President Roosevelt to the King of the Hellenes (George II)

MY DEAR KING GEORGE: I have received Your Majesty’s communication of February 6, 1942, delivered to me by the Greek Minister in Washington, suggesting that an outstanding representative of the American people might be sent to the Near East to supervise measures for the relief of the suffering inhabitants of Greece.

As Your Majesty is doubtless aware from my recent letter to Mr. Tsouderos, the situation in Greece has moved the American people profoundly. The sufferings of civilian populations under Axis domination, and particularly the cruel hardships of your own country, are perhaps the most tragic of the many evils which Axis aggression has produced. The American people have not been lacking in their demonstrations of sympathy for human suffering in various parts of the world, from whatever cause, but their emotion for Greece at the present time is of an especial kind, resulting not only from the matchless example which Greece gave in its fight during five months, with its limited resources, against the attack of Italy and later of Germany, but also from the unequalled want to which the residents of Greece have been reduced.
I have taken under urgent consideration the specific suggestions contained in Your Majesty's communication, and I will write to you further with regard thereto. I realize how close this problem lies to your heart.

Very sincerely yours,

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868.48/2038 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 24, 1942—7 p.m.
[Received February 24—2:12 p.m.]

877. Your 616, February 17 and Embassy's 845, February 22. The Foreign Office has just informed us that they fully approve of the proposed wheat shipment on steamer Industria or substitute ship either to Greece or Turkey as we wish. They have telegraphed their Embassy in Washington to this effect.\(^24\)

WINANT

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868.48/2035 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, February 26, 1942—midnight.

860. Your 845, February 22, midnight. The American Government will be glad to associate itself with the British Government in the plans for the relief of Greece as outlined in Mr. Eden's letter.

WELLES

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868.48/2049 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, March 2, 1942—7 p.m.
[Received 11:43 p.m.]

399. On February 28 British Minister\(^25\) showed me a telegram he had received from London instructing him to approach Swedish Government with view to securing an offer for use of Swedish shipping for transport of wheat to Greece and service of Swedish Red Cross in supervising distribution. This telegram stated United States Government and British Government had decided that in view

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\(^{24}\) For statement released to the press March 6 on this subject, see Department of State Bulletin, March 7, 1942, p. 208.

\(^{25}\) V. A. Mallet.
appalling conditions in Greece and as an exceptional measure they would allow consignment of 8,000 tons of wheat to be sent to that country through blockade and that it was hoped this consignment would be shipped shortly from Haifa. There followed description of famine in Greece which was stated to be on too large a scale for this single shipment or other measures in the blockade area to make an appreciable impression. The British Government and United States Government were said to have reached conclusion, therefore, that in view of exceptional circumstances further shipments of wheat or flour should be allowed. I understand Department is informed of details of proposals and conditions, et cetera, and will not telegraph them unless desired.

I also received on Saturday a telegram from American Embassy London dated February 27 stating that Foreign Office would appreciate my associating myself with British Minister in approaching Swedish Government regarding matter.

I told British Minister I had not yet received instructions. He said that in light of his instructions he felt it very important to act at once and after some discussion I told him that I would be willing to accompany him to see Mr. Boheman, Secretary General of Foreign Office, making it clear however that I had not yet received official instructions.

Mr. Mallet and I today called by appointment on Mr. Boheman who seemed already informed of matter and mentioned that Prince Carl, Chairman of Swedish Red Cross, had telegraphed to American Red Cross in this connection on February 28. I took no active part in discussion between Mr. Mallet and Mr. Boheman. I informed latter that I had not yet received instructions but with that understanding I was glad to associate myself in principle with what the British Minister had said. Mr. Boheman’s response was immediate and entirely favorable. He also said that he did not think there would be any difficulty in regard to necessary shipping. He received an aide-mémoire from the British Minister embodying the proposals and conditions which he said he would take up at once in the proper quarters. He expressed agreement with both, but said he thought condition 4 might be clarified and made more precise as he anticipated objection on part of Germans as now worded.

I would appreciate Department’s confirmation of my action with British Minister so that Foreign Office may be advised.

JOHNSON
868.48/2049 : Telegram

The Acting Secretary of State to the Minister in Sweden (Johnson)

WASHINGTON, March 3, 1942—8 p. m.

121. The Department’s approval of the plans to which you refer for the relief of Greece has been made known to the British Government. You are consequently requested to associate yourself with the British Minister in the necessary discussions with the Swedish Government.

Welles

868.48/2052 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, March 4, 1942—noon.
[Received March 4—11:41 a. m.]

415. Department’s 121, March 3, 8 p. m. Among suggestions made by British Government regarding relief for Greece was one to effect that proposal as far as Germans concerned should appear to come from Swedish initiative and that if possible Germans should not be allowed to know of British-American action. Boheman agreed.

Johnson

868.48/2054 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, March 6, 1942—8 p. m.
[Received March 7—12:11 a. m.]

447. Department’s 121, March 3, 8 p. m., my 399, March 2, 7 p. m.; and 415, March 4, noon. British Minister and I saw Secretary General of Foreign Office this afternoon at latter’s request.

Mr. Boheman said that Swedish Government and Swedish Red Cross will be happy to cooperate toward realization of plan for shipments of wheat and flour to Greece as outlined in aide-mémoire given him by British Minister on March 2. He stated that Swedish ships with tonnage totalling 45,000 to 50,000 tons are available for purpose and could be time-chartered on conditions to be agreed upon—for example on basis of conditions laid down in Anglo-Swedish shipping agreement. He said that there were seven or eight ships available now in Baltic averaging nearly 7,500 tons each rather than the 50,000 tons mentioned in British aide-mémoire. He thought that this tonnage would be sufficient for maintaining shipments at rate indicated in aide-mémoire of March 2.
He suggested that commission of control should consist of two or three members under presidency of Mr. Allard, Swedish Chargé d’Affaires in Sofia and Athens, now resident at Sofia. He pointed out that Allard was personally well qualified for job as he had spent many years in Greece as Chargé d’Affaires and had detailed knowledge of country and very wide acquaintance. He also mentioned incidentally that Allard was *persona grata* to Germans as he had been instrumental in saving life of German Minister in Greece when fighting was going on. Other suitable candidates are available and their names will be submitted shortly. He suggested informally that Mr. Gyllenram at present in charge of Swedish office at Vichy engaged in protection of certain foreign interests be made another member of commission. He said Gyllenram was a man of wide experience including experience in feeding populations. They also have in mind a man with good business qualifications. He suggested that commission should be assisted by clerical staff and stated that Swedish Government is prepared to defray expenses of such a commission of control and he said that his Government realized cost would not be great but that it would like to make this small contribution to so worthy an undertaking.

As to conditions guaranteeing Greek population would derive entire benefit from relief action Swedish Government and Swedish Red Cross are prepared to enter into negotiations with German and Italian Government on line indicated in *aide-mémoire*. He thought that this direct approach by Swedes would save a great deal of time and would have more useful results than if the proposal were taken up with German and Italian Governments initially by International Red Cross as had been suggested in British *aide-mémoire*. Mr. Boheman further suggested that United States and British Governments inform International Red Cross Committee at Geneva of the scheme and ask that body to assume protection of the relief action in order that it might be carried out under its general auspices. Both Mallet and I suggested that it would seem to us preferable for Sweden itself to inform International Red Cross in sense suggested after German Government’s consent had been obtained. Boheman agreed and said his Government was entirely agreeable to any suggestion we might make regarding approach to International Red Cross. He emphasized more than once importance of avoiding any move which Germans might regard as an affront to their prestige. It was this point on which they were most sensitive and unless matter were handled carefully the scheme might encounter real difficulties.
He had two further suggestions to make informally:

(1) Pointing out that as conditions stated in British aide-mémoire did not expressly stipulate that Swedish ships after their errand had been performed would be returned to their “prison” in the Baltic it was most important that Germans clearly understand this will be done and that they have no suspicion the shipping might subsequently fall into Allied hands. He thought conditions in British aide-mémoire should be modified to make this plain as Germans would be sure to pick it up.

(2) He suggested that in any publicity which the United States and British Governments might feel it necessary to make regarding safeguards for food reaching Greek people only, they limit themselves simply to saying that adequate guarantees had been given that Greek population will get full and sole benefit from food distribution without making public details of the conditions. He thought that would be wiser course to take with view to avoiding any difficulty with Germans in point of prestige.

JOHNSON

868.48/2057

The Greek Minister (Diamantopoulos) to the Acting Secretary of State

No. 540

WASHINGTON, March 6, 1942.

My Dear Mr. Secretary: I have the honor to transmit herewith a message received from His Majesty the King of the Hellenes for the President of the United States, and should appreciate if you kindly have it forwarded to its high destination.

Accept [etc.]

C. Diamantopoulos

[Enclosure]

The King of the Hellenes (George II) to President Roosevelt

I am deeply moved by your reply 26 to my communication of the sixth of February. The great North American Union which has never failed to come to Greece’s assistance at every moment of difficulty has on this, the most tragic occasion of all, again shown all her generosity and understanding. The Greek people will never forget it. All who, thanks to your noble solicitude will be delivered from certain death, will always bless your name they and their parents and their children and the thought that the American people is at their side will give them strength in the moral struggle that tirelessly they continue to wage against the invaders.

George II

26 See draft of letter from President Roosevelt to the King of the Hellenes, p. 742.
The Minister in Sweden (Johnson) to the Secretary of State

Stockholm, March 7, 1942—2 p. m.
[Received March 7—11:30 a. m.]

456. My 447, March 6, 8 p. m. Swedish ships referred to in first paragraph are all oil-burning. British Minister has telegraphed substance of our conversation with Mr. Boheman to his Government. We both hope that earliest possible instructions may reach us so that Swedish Government may go ahead.

Johnson

The Under Secretary of State (Welles) to President Roosevelt

Washington, March 11, 1942.

My dear Mr. President: You may recall that the King of Greece, in a letter to you dated February 6, 1942, requested that the American Government supply funds for the relief of Greece and asked you to appoint a representative to administer activities relating to Greek relief. In acknowledging this request, you informed King George that you would communicate with him later concerning his proposal.

There is now enclosed a further communication from the King of Greece forwarded by the Greek Minister on March 6, which expresses the King's appreciation for your consideration of his requests.

Meanwhile, the British Government has entered, with our concurrence and support, into discussions with the Swedish Government and the Swedish Red Cross for the use of seven or eight Swedish ships, now tied up in the Baltic, for the relief of Greece. The ships would take food, principally wheat, to Greece from producing countries such as Canada and the United States, and a well-qualified Swedish committee would be sent to Greece to supervise distribution, under the general auspices of the International Red Cross Committee.

No suggestions have yet been made to us by the British or Swedish Governments regarding funds to defray the expenses involved in sending the food to Greece, but I have no doubt that we shall be asked to contribute to the financing of the arrangements, if they succeed.

\[\text{Notation on original: "SW OK FDR."}\]
\[\text{\textit{Ante}, p. 747.}\]
In view of the above, I suggest the postponement of further consideration, at least for the present, of King George's requests. If the Swedish plan should not succeed or if it should prove inadequate, the proposal of the King of Greece might be revived.

Faithfully yours,

Sumner Welles

868.48/2056: Telegram

The Acting Secretary of State to the Minister in Sweden (Johnson)

WASHINGTON, March 11, 1942—11 p.m.

135. Your 447, March 6, 8 p.m., and your 456, March 7, 2 p.m. The Department is gratified at the progress being made in the plan for the relief of Greece and hopes that arrangements along the lines of Mr. Boheman's suggestions may be put into effect at the earliest possible date.

Welles

868.48/2086b: Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, March 28, 1942—9 p.m.

1299. The following message has been received from the Greek War Relief Association in New York:

"Argentine Government has given to Greek Government 20,000 tons wheat for starving Greek people. Greek War Relief Association is informed of opportunity to charter one privately-owned 4000-ton freighter or Argentine Government-owned 7000 to 8000-ton freighter, both flying Argentine flag, to ship this wheat to Greece. We feel this is wonderful chance to save the lives of thousands in Greece and appeal to you for help in securing permission American Government and if possible through you to seek British Government's consent. Word from you as quickly as possible under present circumstances will be very deeply appreciated."

With respect to the use of the Argentine flag vessels, the following from the Inter-American Financial and Economic Advisory Committee immobilized ship plan of August 28, 1941 may be of use:

"Paragraph 5) The Government of the United States has been informed that the British Government agrees to recognize the transfers of vessels resulting from this plan of operation and to waive its belligerent rights so long as the following conditions are met:

"Section 6) The vessels are operated under the flag of any American republic in inter-American trade, or by the Govern-
ment of the United States in general services in accordance with paragraph (4).

"Section c) Such service of the vessels now inactive shall not result in the diversion of any other vessels owned or controlled by Governments or nationals of an American republic to services inimical to the interests of Great Britain."

The Argentine Government vessel mentioned is probably a former Axis immobilized ship and would not be available for trade outside this hemisphere.

The Department is favorably inclined toward this proposal in general but before approving the transaction in principle wishes to receive the views of the British Government. Please cable reply.

Welles

868.48/2082 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

Stockholm, March 31, 1942—3 p. m.
[Received 5:55 p. m.]

697. Department's 189, March 28, midnight. Present status of negotiations is that they are at standstill. Swedish Minister in Rome put proposals before Ciano personally whose reactions were favorable in principle although he did not commit himself. He asked rather naive question whether Italy would be expected to pay for wheat and was assured that would not be the case. He referred Swedish Minister to technical experts in Foreign Office who assured him matter would have full consideration but that before a reply could be given they would have to consult Germany.

Swedish Minister in Berlin similarly placed proposals before German Foreign Office but has had no reply. Germans also promised to examine matter fully but suggested two preliminary objections: (1) To number 4 of original conditions put before Swedish Foreign Office by British Minister that foodstuffs originating in Greece be reserved solely for persons normally resident there in peace time except that foodstuffs consumed in Greece by armed forces or officials of occupying powers be replaced by equivalent imports into Greece for Greek population and (2) suggested that in any such plans Sweden proposed for feeding Greeks, German and Italian Red Cross with perhaps representative of International Red Cross would be

29 Not printed.
30 Baron Hans Gustaf Beck-Fris.
31 Count Galeazzo Ciano, Italian Minister for Foreign Affairs.
32 Arvid G. Richert.
most appropriate agency for distribution. Swedish Minister assured them this would be unacceptable.

When consent of Italian and German Governments has been obtained it is intention of Swedish Government to advise International Red Cross.

JOHNSON

868.48/2087 : Telegram

The Chargé in the United Kingdom (Matthews) to the Secretary of State

LONDON, April 7, 1942—1 a. m.
[Received April 6—8:45 p. m.]

1654. Department’s 1299, March 28, midnight [9 p. m.] We have just received from the Foreign Office the following letter giving their reactions to the proposal to transport to Greece in Argentine flag vessels the 20,000 tons of wheat donated by the Argentine Government:

“As you know, the Axis is at present considering the proposal put to them by the Swedish Government at our joint instigation that safe conduct should be given to Swedish shipping at present in the Baltic to carry wheat to Greece, provided that the Axis accept certain conditions. If the plan is accepted, our intention is that the wheat should be fetched from Canada as being the shortest haul.

In our view, the optimum solution of the Greek relief question is that the Axis should accept this proposal, since it has the great advantage from the preemptive point of view of getting Swedish ships out of German clutches and involves no cost either direct or indirect to the shipping resources of the United Nations. We also attach considerable importance to the acceptance by the Axis of our conditions, as minimizing the benefit to the enemy of relief shipments.

The shipments which we have already either initiated or agreed to are definitely regarded by us as interim arrangements to meet the emergency pending the institution of a proper controlled scheme.

In these circumstances we are not much taken with the idea that Argentine ships should be allocated for relief shipments which might otherwise be contributing, even if indirectly, to the common shipping pool; nor do we wish the enemy to get the idea that the series of interim uncontrolled shipments will continue indefinitely. If, however, the enemy do reject or delay the Swedish scheme on one pretext or another, it may be that we should have to fall back on this Argentine plan to tide the Greeks over.

In all these circumstances, we think the best thing to do is to stall, perhaps by saying that other proposals are under consideration, and that it is not possible to give a decision on their part. We have encouraged the Greek Minister here to take this line with his contacts in the Argentine.”

MATTHEWS
The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, April 7, 1942—4 p. m.
[Received April 7—2:17 p. m.]

755. My 697, March 31, 6 [3] p. m. Foreign Office informed me this morning that Swedish Minister in Berlin has received acknowledgment in writing from German Foreign Office of proposals for food relief for Greece. German acknowledgment expresses interest in project and promises early reply.

Swedish Red Cross has received communications from both German and Italian Red Cross expressing sympathy and interest in undertaking.

Foreign Office is encouraged by these indications and hopes for favorable reply but anticipates difficulties will arise on details which will require negotiation, particularly with respect to control of distribution. It was stated all necessary arrangements have been made here to start work immediately necessary clearance is received from Germany and Italy.

JOHNSON

The Under Secretary of State (Welles) to President Roosevelt

WASHINGTOON, April 15, 1942.

My Dear Mr. President: Mr. Norman Davis has written to the Department reporting further urgent appeals which the American Red Cross has received from the International Red Cross for assistance in providing relief for Greece, where the food situation is said to be rapidly deteriorating. Mr. Davis indicates his hope that through some channel relief for the Greek people can be arranged.

A fundamental question arises regarding the providing of funds for Greek relief. Mr. Davis points out that it has been the policy of the American Red Cross not to use its funds or to recommend to you allotment of the President’s Fund to send food to areas where the American Red Cross is not able to send its own representatives to supervise the actual distribution of the relief supplies. The American Red Cross is of course unable to send representatives to Greece at present. Before taking any action on the appeals he has received, therefore, Mr. Davis desires to learn the attitude of this Department towards the question.

33 Notation on original: “S.W. OK FDR.”
The principle which the American Red Cross has followed of limiting its food relief to areas where its own officers may supervise the distribution is entirely sound, and exception should be made, in my opinion, only in a very unusual emergency. We are faced with the fact, however, that as many as 1,000,000 persons may die in Greece during 1942 if relief is not sent to them, according to a recent estimate contained in a report prepared by the office of the Coordinator of Information, and it seems to me imperative for the United States to make every effort possible to come to the aid of those heroic people.

I recommend, therefore, that the Department be authorized to inform Mr. Davis that we should be glad for the American Red Cross, as an exceptional measure, to assist in the relief of Greece, through such funds or supplies as may be available to it for the purpose, with the understanding, of course, that the Red Cross will satisfy itself that adequate provision for the supervision of distribution in Greece by the International Red Cross Committee or other acceptable agency is included in any relief plan involving the use of American funds or supplies.

Faithfully yours,

SUMNER WELLES

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883.48/2089 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, April 15, 1942—4 p.m.

[Received April 15—3:12 p.m.]

840. My 755, April 7, 4 p.m. Foreign Office has just informed me Italian reply received to proposals for Greek food relief. Reply is in some detail and imposes conditions, but Foreign Office feels it is on whole favorable and that there is now open prospect of immediate progress. It was intimated in Italian reply that German reply would be identical. Foreign Office will ask Mallet and me to meet appropriate official tomorrow when details will be communicated.

JOHN

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883.48/2092 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, April 19, 1942—noon.

[Received 2:54 p.m.]

890. My 840, April 15, 4 p.m. Boheman sent for British Minister and me yesterday afternoon for communication of further details regarding Italian reply to proposals for Greek food relief. He gave
us a memorandum embodying substance of this reply which reads as follows:

"The Italian Government have—according to a report recently received from the Swedish Minister at Rome—given their consent to the proposed relief action in favor of Greece on the following conditions:

(1) They are prepared to give safe-conduct in both directions for the Swedish ships transporting the foodstuffs from Canada to Greece.

(2) The Italian authorities will offer no objection to the allocation of all foodstuffs imported to Greece as relief under the scheme being made and controlled by one of the organs of the International Red Cross. Delegates of the Swedish Red Cross might be included on conditions to be agreed upon between the Swedish Red Cross and the International Red Cross Committee.

(3) The Italian Government agree that foodstuffs imported to Greece by the Swedish Red Cross will be reserved solely for the Greek population. As the quantity of grain to be transported monthly is limited, the Italian Government are of the opinion that it would be advantageous to concentrate its distribution to such area where the need is greatest, i.e., Greece's mainland, Peloponnesus and Crete (reservation made for more detailed specification later).

(4) The Italian Government are in principle also of the opinion that foodstuffs originating in Greece are to be reserved for the Greek civil population.

The Italian Government reserve their rights at any time, when in their opinion the conditions so require, to withdraw their consent to the relief scheme; due notification of any such step will however, beforehand be given to the Swedish Legation at Rome. The Italian Government wish to state that they have no objection to negotiations being continued through the Swedish Government in order to arrive at an agreement concerning the practical method of execution of this scheme.

The Swedish Red Cross intends to get in touch immediately with the International Red Cross Committee at Geneva asking them eventually to assume protection of the proposed relief scheme and to collaborate with the Swedish Government and the Swedish Red Cross towards the elaboration of a plan of control, which would meet the requirements of the American and British Governments. The Swedish Government will be glad to submit the plan to the said Governments as soon as conditions permit. Stockholm 18th, April, 1942."

See immediately following telegram.     Johnson
The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, April 19, 1942—1 p.m.  
[Received 2:41 p.m.]

891. My 890, April 19, noon. Despite intimation in Italian reply reported in my 840, April 15, 4 p.m. reply has not yet been received from the Germans. Boheman told Mallet and me that Foreign Office has been pressing daily for German reply both at Berlin and through German Legation Stockholm.

In his opinion hitch is more than it appears to be and hinges around condition number 2 in Italian reply. It is obvious that Italians and probably Germans object to control committee being in hands of Swedish Red Cross and that counter-proposal made by Italians for control by International Red Cross with Swedish representation is motivated by considerations of prestige. He said that his Government now proposes to go immediately to International Red Cross informing them that two proposals have been advanced—

(1) proposal by American and British Governments for a Swedish committee and (2) counter-proposal from Italian Government for an International Red Cross Committee. Swedes will suggest to International Red Cross that International Red Cross and Swedish Government propose to both sides a compromise joint committee of International Red Cross and Swedish Red Cross which will elect its own chairman.

Boheman feels that Italian reply is satisfactory except for Italian condition number 2. He assumes that main consideration in mind of American and British Governments is that control commissions should be neutral but that we would not insist it be composed exclusively of Swedes. Both Mallet and I said that we personally believed there would be no difficulty on this point. Boheman pointed out that Italians have agreed without reservations to use of Swedish tonnage for carrying foodstuffs and felt that this would give satisfaction all around.

Please see my despatch number 291, March 7, 1942, enclosing copy of aide-mémoire handed by British Minister to Foreign Office on March 2, 1942. It will be noted from this aide-mémoire that suggestions made by Mr. Boheman for meeting Italian condition number 2 regarding control follow line original suggestions of British Government.

See immediately following telegram.

JOHNSON

24 Neither printed.
The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, April 19, 1942—2 p. m.  
[Received April 19—1:38 p. m.]

892. My 891, April 19, 1 p. m. Mallet told Boheman and me that British Foreign Office is under some pressure in Parliament for a statement regarding progress of these negotiations and that they felt it imperative to make a public statement in the near future. Boheman agreed to this and British Minister is suggesting following text to the Foreign Office as a possible reply to be made Monday or Tuesday to question in the House of Commons:

"On the initiative of the Swedish Red Cross negotiations have for the past month been proceeding with both the belligerent parties regarding a relief action for the population of Greece. The Swedish Government having declared themselves ready to place Swedish tonnage now lying in Swedish ports at the disposal of the parties interested, the British and United States Governments have stated their willingness to authorize monthly shipments of 15,000 tons of wheat or flour from Canada to Greece. It is hoped that the German and Italian Governments will be prepared to facilitate the relief action. The Swedish Government continue their negotiations with both the belligerent parties with a view to arriving at an early agreement regarding the conditions under which the relief action is to be carried out probably under the auspices of the International Red Cross."

JOHNSON

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, April 30, 1942—8 p. m.  
[Received May 1—2:42 a. m.]

1019. My 973, April 27, 8 p. m. Boheman, Secretary General Foreign Office, asked British Minister and me to see him today. He gave us a draft translation of German reply which has just been received to proposals for Greek food relief. Following is text furnished by Foreign Office.

"The German Government have taken ad notam that the British and United States Governments on an appeal from the Swedish Red Cross have declared themselves willing to give free passage, including free return to Swedish ports, for Swedish ships which are to be placed at disposal for the transport of wheat and flour to the Greek civil population.

38 Not printed.
The German Government in this connection understand:

(a) That the Swedish ships until their return to Swedish ports shall [not?] only be safeguarded against prize courts proceedings but also against any other seizure,

(b) That the Swedish ships may not, during the time they are being used in the interest of the Greek population, be used for any other purpose by the other belligerent party and that they will return to Swedish ports immediately after the termination of the aforesaid activity,

(c) That the assurances given by the British and United States Governments are also valid with regard to their Allies.

If the above mentioned assumptions are correct the German Government define as follows their attitude towards the details of the Swedish relief plan.

1. The German Government are prepared to give instructions to its armed forces not to interfere with the Swedish ships transporting wheat and flour to Greece, either on the outward or on the return voyage. The German Government will, in agreement with the Swedish Government, draw up a plan for the practical arrangements in detail. They wish, however, already now to point out that the exigencies of war may make it necessary for the shipments to take place from other than Canadian and North American ports. In order to get the plan working as soon as possible, the German Government are prepared temporarily also to allow shipments from the North American continent.

2. The German Government have no objection to the distribution of the foodstuffs imported to Greece under the scheme being handled by a commission of Swedish citizens and to the due control by this commission of the distribution. In that connection it may be pointed out that the relief work already carried out for the benefit of the Greek population is placed under the control of a special commission, consisting of one representative each from the International Red Cross Committee, the German, Italian and Greek Red Crosses. This commission is responsible for the just distribution of the imported commodities of every kind to the distressed Greek population. It works to the satisfaction of all parties concerned. In order to avoid the overlapping of the activity of two different commissions and to ascertain a proper distribution of all commodities imported to Greece under different relief schemes, it seems advisable that a close collaboration should be established between the Swedish commission and the above mentioned commission of representatives of the International Red Cross, et cetera.

3. The German Government are in agreement with the condition that the foodstuffs imported to Greece from overseas under the Swedish relief scheme should be exclusively reserved for the Greek population. In view of the complicated geographical structure of Greece, communication with the many small isles situated in the operative areas of the sea and air forces of the belligerent parties is extremely difficult. The Swedish commission will therefore have no practical possibilities of control in those islands. In the view of the German Government it would therefore be advisable, in order to
ensure the smooth functioning of the Swedish plan, that the distribution of foodstuffs be limited to those districts, which can be visited and which belong to the most distressed areas, viz. the Greek mainland, the Peloponnesus, and the Island of Crete.

The German Government are in agreement with the condition, that foodstuffs produced in these areas should be reserved for the Greek civil population. This should however not exclude in the normal exchange of goods. The German Government argue that the Royal Swedish Government continue their discussions concerning the relief scheme with both belligerent parties in order to arrive at an agreement about the details. The German Government also find it expedient that the Swedish Red Cross, as suggested, gets into touch with the International Committee of the Red Cross.

As the Swedish plan does not mention any specific length of time for carrying out the proposed scheme, the German Government assume that the work is intended to be carried out for an indefinite period until one of the participants might be forced to terminate its cooperation on account of unforeseen circumstances."

See immediately following telegram.

JOHNSON

868.48/3005 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, April 30, 1942—9 p. m.
[Received 10:20 p. m.]

1020. My 1019, April 30. Boheman was of opinion that German reply is more satisfactory than he had ever expected and with this view both Mallet and I agree. Swedish Government will proceed immediately to reconciling German reply with Italian and Boheman thinks there will be no real difficulty encountered at Rome. They will likewise start conversations immediately on basis of German reply with International Red Cross and within a very few days will submit to American and British Governments concrete suggestions for implementing the undertaking. I understand from Boheman that practical arrangements for the ships are very near completion.

See immediately following telegram.

JOHNSON

868.48/3006 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, April 30, 1942—10 p. m.
[Received (May 1?)—1:10 a. m.]

1021. My 1020, April 30. As of possible interest to Department following is substance of conversation which Boheman had yesterday
with Mallet and me before German reply had been received: Pending receipt of German reply Swedish Minister at Bern took matter up directly with International Red Cross. Fortunately M. Brunel, a Swiss, head of International Red Cross Commission in Greece, happened to be in Geneva at time. Brunel whom Boheman said Swedish Minister had described as an unusually able man of finest character made long entailed [detailed?] statement to Swedish Minister regarding work of his Commission in Greece and how it operates there now. There is a High Committee of International Red Cross to direct activities of Red Cross in Greece composed of Brunel and representatives of German, Italian and Greek Red Cross and Turkish Red Crescent. (It will be recalled that German reply made no mention of Turkish Red Crescent.) Under this High Committee there is an executive organ known as Committee of Action which is charged with the actual distribution of relief. This sub-committee is composed entirely of Swiss and Greeks. Brunel said that committee in Greece was extraordinarily dependent on cooperation of occupying powers forsaking [for making?] any effective distribution of relief. Principal reason for this dependence is total lack of transportation facilities except such as may be granted by occupying military power. Situation is different to that which obtained in Belgium during last war when Hoover Commission brought its own transportation and petrol. Brunel also said that as practical matter cooperation of German and Italian Red Cross members of High Committee had been invaluable and irreplaceable in securing a minimum of transportation from occupying military. Brunel expressed opinion that it would be impossible to organize relief in Greece under any plan, without close collaboration with occupying power. He therefore told Swedish Minister that in his opinion there should not be created any new organ for distribution of relief to Greece; that existing organization should be used with High Committee reinforced by Swedes and Sub-committee of Action, now composed of Swiss and Greeks, should have Swedish members added. Swedish Minister is reported to have told Brunel that he did not believe his plan would be acceptable to British and American Governments. He asked Brunel if he would not try to think out some system of control which would be acceptable to Allied Governments and which would not meet with objections on score of lack adequate control and supervision.

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Brunel also had interesting observations to make that there was no shortage of edible fats in Greece; that in some districts there was actually a surplus of olive oil but that total lack of transportation and containers for edible oil made it impossible to distribute surplus. He suggested that containers for edible oils should be sent to Greece in connection with any relief scheme. Brunel also said that if his suggestions should be acceptable he not only would welcome addition of Swedes but felt that it would be essential under new plan as he would otherwise have no means of dealing with ships which brought food and asked that one of Swedes should be a shipping expert.

Boheman said that viewing matter realistically he was impressed by Brunel's suggestions and said that he thought it would be very helpful in ironing matter out if American and British Ministers in Switzerland should make direct contact with International Red Cross—either Huber, the President, or Burckhardt. He seemed uncertain whether Brunel was still at Geneva. Boheman feels that by British and American Ministers talking with International Red Cross they can ask any questions they like and that after thorough exploration of International Red Cross suggestions they may be in a position to judge how far it may be necessary to alter Brunel's proposal.

Department will of course realize that foregoing discussion took place before favorable nature of German reply was known. It is, however, of considerable interest as indicating a view of International Red Cross which there is no reason to believe is insincere.

JOHNSON

863.48/3011: Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, May 8, 1942—8 p.m.
[Received May 8—7:26 p.m.]

1108. My 1019, April 30, 8 p.m., 1020, April 30, 9 p.m., and 1021, April 30, 10 p.m. Boheman told me this afternoon that Swedish Minister at Rome was having difficulty with Italians on point of machinery for control of distribution Greek food relief. Italians want to use existing set up with perhaps addition of Swedes but without Swedish control. Boheman said he realized that this goes to very essence of matter from American point of view. Result of conversation with International Red Cross has, however, been highly satisfactory. A Swiss representative of International Red Cross named Junod has gone to Rome and will assist Swedish Minister in endeavor to iron out difficulties with Italians and to arrive at some
agreed proposal which may be placed before American and British Governments. These conversations are expected to take place tomorrow and Boheman will communicate result to Mallet and me as soon as possible.

JOHNSON

868.48/3144 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, June 10, 1942—9 p. m.
[Received 9:20 p. m.]

1465. My 1108, May 8, 8 p. m. Boheman sent for Mallet and me this afternoon to compare the text of a communication made by the International Red Cross to the Italian Government with specific recommendations. These recommendations are the result of extensive conversations which were carried on in Rome by the Italian authorities and the Swedish Minister and M. Junod, Swiss representative of International Red Cross. Following is translation:

"The International Committee of the Red Cross after having studied the desires expressed by the different belligerent governments in the matter of distribution of relief to the civil population of Greece and to the supervision of that distribution by the delegation of the International Red Cross in Greece, and in understanding with the Swedish and Swiss Red Cross, submits to the Italian Government the following note:

The International Committee of the Red Cross desires to maintain in Greece the organization for supervision of distribution such as it has existed up to the present, under the form of the High Committee of Direction presided over by Monsieur Brunel of which delegates of the Italian and German Red Cross are members as well as the President of the Greek Red Cross, and of a Committee of Action presided over by a delegate of the International Committee of the Red Cross, other members being Greeks.

However, by reason of the increasing amount of relief supplies being sent to Greece the International Committee of the Red Cross considers as absolutely necessary in order to encourage still more the dispatch of relief goods, to add to its delegation in Greece several new collaborators chosen from among the representatives of the Swedish and Swiss Red Cross. These representatives would be entitled to supervise the distribution of gifts and relief supplies from their respective countries in their capacity as delegates of their national Red Cross societies. On the other hand they would be actively associated in the supervision exercised in the name of the International Committee of the Red Cross over distribution of relief coming from overseas.

In this latter circumstance several of them would be members of the Committee of Action."
The Committee of Action would thus be composed of Monsieur Brunel, Delegate of the International Committee of the Red Cross and of delegates of the neutral Swedish and Swiss Red Cross who would thus become assistants to Monsieur Brunel.

The Committee of Action would be authorized to organize according to the requirements of the situation subcommittees in other parts of Greece than Athens or Piraeus.

The competence of the Committee of Action would be, (a) to receive all consignments of relief which come to Greece from neutral countries or from overseas; (b) to proceed to organization of distribution of this relief in Greece; (c) to make a report to International Committee of the Red Cross on the situation of the civil population of Greece and on opportunities for augmenting or diminishing relief from overseas.

This Committee of Action would therefore be constituted of members exclusively neutral but would be competent to admit Greeks especially chosen by itself. It would be in constant contact with the High Committee of Direction which would establish the relations indispensable to its work with the authorities of the occupying powers."

Boheman at the same time gave us an aide-mémoire dated today reading as follows:

"After the receipt of the answers of the Italian and German Governments regarding the proposed relief action in favor of Greece—the contents of which were communicated to the American and British Ministers at Stockholm on the 18th and 30th of April respectively—the Swedish Government and the Swedish Red Cross approached the International Red Cross Committee at Geneva, under whose auspices, according to the original plan, the scheme should be administered, for the purpose of arriving, first of all, at a solution of the question of control, acceptable to both of the belligerent parties. Definite proposals to this effect, essentially corresponding with the conditions laid down by the American and British Governments, have been worked out by Dr. Junod, delegate of the International Red Cross Committee, and it has been ascertained that these proposals have every prospect of being accepted by the Italian and German Governments. The text is hereafter submitted for the consideration of the American and British Governments. As soon as they have indicated their position with regard to these proposals, the Swedish Government and the Swedish Red Cross are prepared in collaboration with the International Red Cross immediately to start organizing the machinery of control. It would seem expedient that it be left to the proposed Swedish-Swiss Commission to endeavor to find on the spot adequate solutions of special questions that remain outstanding; thus the plan as a whole need not be held up any further."

Please see immediately following telegram.
863.48/3145 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, June 10, 1942—10 p. m.
[Received 10:27 p. m.]

1466. My 1465, today. Boheman told us that he felt Junod had done a good job with the Italians and he urged that both American and British Governments agree to International Red Cross proposals as soon as possible. If we do Swedes will start chartering ships at once and will send Swedish representatives immediately to Athens. They will ask safe conduct for ships and for three to go at once or more if British and American Governments agree in view of long delay. Allard, Swedish Chargé d’Affaires at Sofia, will be one of members and Risberg, a Swedish subject, formerly representative Swedish Ball-Bearing Company in Athens and now Swedish Consul at Athens, another. Boheman knows Risberg personally and says he has highest opinion not only of his honesty but of his intimate knowledge of Greece and conditions in that country. Risberg has already reported to Foreign Office his opinion that it is extremely desirable for neutral commission to get to work at once. He says food now being distributed by International Red Cross is not taken by occupying authorities which on contrary are showing disposition to get it to Greek civilians but due to lack of personnel and proper supervision distribution is bad and some of it is getting to black market. Foreign Office is of opinion that adequate number of neutral personnel to be attached to commission is essential to effective supervision and they think that there should be at least 30 individuals for this purpose of whom presumably half would be Swedes and half Swiss. A careful search is now being made for suitable personnel among Swedish businessmen and in quartermaster service of the army as well as elsewhere.

Boheman pointed out that all of original conditions put forward by British Government have been fully covered by assurances given to Swedish Government by Axis Governments and he stated that performance of these conditions will be fully covered in reports which Swedish Government will make to British and American Governments. If any hitch occurs on the ground Swedish delegates will report at once and Allied Governments can take any action they see fit. Boheman thinks essential thing is to get approval and to start organizational ground work at once.

He said that there was one point that should be made clear with respect to chartering of ships. The Swedish Red Cross which is nominal charterer and Swedish ship owners are not satisfied to have
only Greek Government as responsible party and desire what is essentially a British-American underwriting guaranty. It is important that Greek Government in London not appear in any open communication in this connection as it would only serve to make trouble with Axis.

The Italian Government has given assurances to Junod and reaffirmed these assurances to Swedish Minister at Rome that all foodstuffs produced in Greece will be reserved exclusively for civil Greek population and that if there is any surplus which may eventually be exported it will be entirely compensated for by other foodstuffs imported into Greece. This communication was made to Swedish Minister at Rome on June 5.

Boheman finally pointed out that both Risberg and Allard have emphasized the necessity for motor transportation and fuel being made available to commission and that without it effective supervision is impossible. Both transportation and fuel would be unprocurable in Greece and should be sent out with grain ships. Swedes will undertake responsibility for vehicles and for their proper use, tagging them with necessary Red Cross and other emblems to insure their identity.

JOHNSON

868.48/3144 : Telegram
The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, June 13, 1942—6 p. m.

2731. The Department has received from the American Minister at Stockholm the text of an Aide-Mémoire of the Swedish Foreign Office, dated June 10, submitting for the consideration of the American and British Governments a translation of a communication which has been addressed by Dr. Junod of the International Red Cross Committee to the Italian Government making specific recommendations regarding the distribution of the proposed relief shipments to be made to Greece in Swedish vessels. The Secretary General of the Swedish Foreign Office urged that the American and British Governments agree to the International Red Cross proposal as soon as possible. The British Foreign Office has no doubt received the same information from the British Minister at Stockholm.

The Department has also received detailed reports from Wadsworth and Berry, who have recently returned from Rome,\(^{38}\) regard-
ing the distribution of the relief heretofore sent to Greece. These officers have had an opportunity to follow closely the work of the International Red Cross in connection with Greek relief, and express full confidence in the integrity and trustworthiness of the organization set up by M. Brunel for the purpose, and particularly in the dependability of M. Brunel himself. The addition of representatives of the Swedish and Swiss Red Cross should be sufficient, in their view, adequately to safeguard the distribution of the additional relief envisaged.

This Government is prepared to approve the recommendations of the International Red Cross Committee concerning distribution in Greece and will so inform the American Minister at Stockholm upon the receipt of information from you that the British Government likewise concurs.

HULL

868.49/3161 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, June 21, 1942—11 a. m.
[Received 2:09 p. m.]

1576. Mallet and I saw Boheman yesterday morning and Mallet gave him two aide-mémoires in reply to Swedish recommendations on Greek relief reported in my 1465, June 10, 9 p. m. (see also my 1466, June 10, 10 p. m.). I understand Mallet’s instructions on which reply was based were communicated to Washington.

Yesterday afternoon we met again with Boheman, other members of Foreign Office and Dr. Junod and listened to a full résumé of report of his activities and plans and conditions in Greece. Junod states his report has been sent both to Washington and London. At same time Boheman handed Mallet two aide-mémoires in reply to those given him yesterday morning, substance of which follows:

1. Swedish Government considers that reports from Swedish members of Committee of Action should be forwarded through Swedish Chargé in Sofia. He will act on Committee of High Direction to Swedish Government by diplomatic courier.39 His reports will be communicated to British and American Governments.

Wheat should be consigned to “La Délégation de C. I. C. R. (Comité International de la Croix Rouge),” Athens.

2. Following negotiations with German and Italian Governments and assurances given thereunder Swedish Government satisfied:

(a) That delegates on Committee of Action will receive facilities for supervising and distribution of relief on lines already laid

39 Apparently there is some omission in this sentence.
down by British and American Governments, that is, Committee will
have right and duty to verify by direct observation that these con-
ditions are fulfilled; to be sufficiently numerous and to maintain
sufficient staff and enjoy necessary complete freedom of movement
and facilities for inspection and enquiry;

(b) That assurance given by Italian Government that all food
stuffs produced in Greece will be reserved for Greek population
exclusively and any surplus which may be exported eventually will
be entirely compensated by imported foodstuffs, holds good for
German Government as well;

(c) That Dr. Junod's proposed arrangement places in hands of a
purely neutral committee management of all functions and powers
assigned to neutral commission as specified in conditions originally
laid down by British and American Governments including control
of allocation of relief as well as distribution and supervisory duties
referred to in paragraph (a);

(d) That President of Committee of Action will be a Swede and
that committee will be formed of equal number of Swedish and
Swiss delegates and will act as an organ of International Red Cross;

(e) That functions of High Committee of Direction mentioned
in Junod's proposals are as regards this specific scheme confined
to those of liaison between occupation authorities and Committee
of Action.

Swedish Government intends to inform German and Italian Gov-
ernments immediately that it considers sufficient agreement to have
been reached between belligerent parties to put scheme in action and
request safe conduct for first three ships. This Boheman states was
done yesterday.

Dr. Junod stated that when certain data concerning number of
motor cars needed and gasoline for their operation for transport
under scheme had been determined a request would be made that
they be supplied, gasoline and oil to be sent monthly probably by
relief ships. If these are not forthcoming whole scheme would bog
down for lack of transport.

Boheman stated that expenses of Swedish members of committee
would be paid from private sources through Swedish Government
and similarly Swiss members would be provided for through Swiss
Government.

As regards composition of Committee of Action it is planned
to have total of 15 including three delegates each from Sweden
and Switzerland; others also to be Swedes and Swiss approximately
equally divided.

JOHNSON
The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, June 29, 1942—3 p. m.
[Received 5:05 p. m.]

1641. Legation’s 1576, June 21, 11 a.m. British Government has now sent instructions to Mallet stating that technical details concerning shipments have been arranged with Canadian Government including those for first three ships. Shipping documents are to be made out to Swedish Red Cross.

Despite its earlier agreement in principle British Government objects to that part of Junod scheme leaving arrangements in Greece to International Red Cross. They wish Swedish Government to keep a firm hold on all of activities and fear that International Red Cross would gradually take lead and attempt to deal directly with British, United States and Canadian Governments causing confusion. British Government stated to Mallet that it has had trouble with International Red Cross heretofore in Greek relief and feels that it would be bombarded with requests to amend scheme if Swedish Red Cross were not to be in absolute control and demands that Stockholm must be center. Mallet is today discussing practical arrangements with Swedish Foreign Office but is not officially taking up this objection until British Foreign Office replies to his requests for reconsideration of question of control in Greece.

He has pointed out that framework acceptable to Axis Powers is Junod scheme which does not provide that Swedish Red Cross act independently in Greece. Mallet also pointed out that Mohn, Secretary of Swedish Legation in Rome, was to be chairman of Committee of Action and not Brunel to whom British Government appears to have some objection. Mallet pointed out that Swedish Government is convinced that it is essential to maintain fiction that plan is to function under International Red Cross at least until scheme is in operation. Although he is not taking this up officially with Swedish Government today he has informally mentioned matter to Boheman who has also informally stated that it would be very confusing to have a change made at this time but that if British Government insists upon it steps will have to be taken to permit Swedish Red Cross to act independently in Greece rather than to scrap scheme.

Further report will be submitted when Mallet receives reply to his request for reconsideration.

British Government states that it will be unable to supply cars and fuel oil mentioned Legation’s 1631, June 27, 3 p. m.40 Swedish

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40 Not printed.
Government may be expected shortly to suggest that United States Government attempt to arrange for supply of these cars and fuel with Greek Relief Committee in United States.

JOHNSON

868.48/3169: Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, July 3, 1942—4 p. m.

[Received 6:41 p. m.]

1694. Mallet has now had further instructions in reply to request for reconsideration mentioned penultimate paragraph Legation's 1641, June 29, 3 p. m. He has expressed officially and orally to Foreign Office British Government's view that it wishes further dealings to be through Swedes for obvious reasons and also because Swedish Government has given assurances that British Government's conditions will be observed. He also pointed out that it was desired that Swedes on Committee of Action be free to insist among other things on method of distribution which would satisfy these conditions. He pointed out that it was feared that if stores from Canada went to International Red Cross in Greece rather than Sweden it might result in international body claiming a decisive vote in their disposal and causing them to treat Committee only as its agent. As it was desired however to get ships away as soon as possible British Government did not wish to be obstructive if Swedish Government felt there would be no difficulty in consigning shipment to Swedish Red Cross. Boheman of Foreign Office stated that while he wished to reflect on matter, on principle he felt that it should be perfectly possible to consign the stores to Mr. Mohn, Swedish Red Cross representative at Piraeus, who would be chairman of Committee of Action. Swedish Government would instruct Consul General in Montreal regarding details and any alteration in name of consignee if required could be perfectly well arranged later. It is hoped that ships can get away by July 12 as Germans seem about to agree although possibly there may be slight modification of route. (Boheman has not yet replied to these suggestions.)

Mallet has informed me that as a last resort he has authority from British Foreign Office to agree to consignment to International Red Cross delegate or alternatively to Committee of Action if Swedes are sure this will not frustrate British intentions and provided they find genuine difficulty in consigning to Swedish Red Cross.

JOHNSON
The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, July 9, 1942—5 p. m.
[Received 5:40 p. m.]

1765. My 1694, July 3, 4 p. m. British Minister has now submitted a further aide-mémoire concerning Greek relief to Foreign Office. He has pointed out that British Government does not approve suggestion that wheat received from Canada be sold to so-called “Ministère de Ravitaillement” at Athens at 21 drachma per kilogram as a means of covering certain administrative expenses in Greece although are agreeable to certain small charges to cover essential costs. British Government fears that by distribution on a commercial basis through agency of an enemy controlled administration, this would lead to many complications. It expresses hope Swedish Government will judge question in light of this principle and not be bound by precedent established by International Red Cross in case of wheat shipped from Near East.

While willing to consider sympathetically recommendations made by Swedish Government in light of experience to extend relief scheme to other commodities British Government gives no guarantee of their acceptance.

It agrees to distribution of medical goods freely admitted through blockade if Swedish Government is satisfied that goods will be distributed under conditions of control acceptable to British Government. British Government would welcome efforts to end that native Greek products as well as imported wheat be distributed on equitable basis for benefit of Greek population to prevent misappropriation or misdirection of native produce by occupational authorities misuse of which would be as harmful as that of foodstuffs arriving from overseas.

British Minister at same time he submitted this aide-mémoire informed Foreign Office that Swedish ship Stureholm chartered some months ago by British Government and operated by International Red Cross to carry wheat from Haifa to Greece was struck by a German aerial torpedo and sank on a return trip to Haifa last month, and a certain number of Swedish lives were lost. Ship was struck while brilliantly lighted and carrying Red Cross insignia. Mallet stated to me confidentially but has not informed Swedish Government that this ship was 30 miles off its course. A protest will be made to German Government nevertheless by International Red Cross.

JOHNSON
The Department of State to the British Embassy

Memorandum Regarding Greek Relief Shipments on Swedish Vessels

1. The initiative on this proposal having been taken in London by the British and Greek Governments, which have apparently agreed between themselves, with the assent of the Canadian Government, with regard to the financial arrangements for the chartering of the Swedish vessels and the supply of Canadian wheat, the United States Government is prepared in general to be guided by the recommendations of the British Government regarding the supplies to be sent to Greece under the Swedish plan and the arrangements regarding their distribution in Greece. Consideration has been given in this matter also to the primary role of British agencies in the operation of the continental blockade.

2. This Government has received reports from its own agents in a position to be in close touch with the situation which satisfy it regarding the integrity and trustworthiness of the committees set up by the International Red Cross Committee, under Dr. Junod and Mr. Brunel, to distribute the foodstuffs heretofore sent to Greece under United Nations’ auspices. However, this Government is in agreement with the British Government that it would be desirable to place as much responsibility as possible for the distribution of larger quantities of supplies to be shipped under the “Swedish” plan upon the Swedish representatives, especially in view of the fact that the Swedish Government has undertaken the negotiations with the Axis Governments and has received from them assurances with respect to the conditions governing the distribution of these relief supplies and of Greek native produce in the interests of the Greek people.

3. The British and American Governments have both agreed in principle to permitting shipments of medical supplies on the Swedish vessels, subject to their approval of the specific types and quantities involved.

The American Red Cross plans to send $35,000 worth of such supplies to Montreal for loading on the first three Swedish vessels. The Red Cross is applying to the Board of Economic Warfare at Washington for an export permit. In view of the close collaboration between the Board of Economic Warfare and representatives of the British Ministry of Economic Warfare, it is assumed that this will ensure both American and British examination and approval of the specific items to be shipped.
The Department has learned informally that the Canadian Red Cross is likewise planning to send certain medical supplies on these vessels. It will of course apply for an export permit to the appropriate Canadian authorities, who will presumably clear with the American and British Governments before approving.

4. The British Government having indicated that it considers the furnishing of motor vehicles and fuels therefor as necessary to enable the Control Commission properly to carry out its functions, the Greek War Relief Association is endeavoring to procure for shipment on the first vessels the supplies requested by the Swedish Foreign Office.

5. In response to a request of the Greek War Relief Association, the British Government agreed exceptionally to permit the forwarding to Greece, with a shipment of breadstuffs, of a small quantity (not exceeding 50 tons) of milk, on condition that it be distributed by the Swedish-Swiss Control Commission to Greek children, and on the understanding that publicity regarding this shipment would be subordinated. This approval has been communicated to the Association, with the support of this Government.

6. Reports have reached this Department indicating that the German forces in Greece have withheld and are still withholding large stores of native olive oil in the country, while the Greek population suffers particularly from lack of fats. The International Red Cross Committee, despite persistent efforts, has been unable to secure the release of even 400 tons of oil per month necessary for the operation of the Athens soup kitchens.

Shortly after the "Swedish" plan gets into operation the American and British Governments might well call this situation forcibly to the attention of the Swedish Government, making it clear that they expect the release of presently blockaded stocks of Greek olive oil and the reservation of future production for consumption by the Greek people, except insofar as there may be a genuine export surplus compensated for with foodstuffs imported from Axis sources in conformity with the terms of condition no. 4 of the scheme.

WASHINGTON, July 28, 1942.

Press Release Issued by the Department of State, August 7, 1942

On the initiative of the Swedish Red Cross negotiations were undertaken some months ago through the Swedish Government regarding relief for the starving population of Greece. The Swedish
Government having expressed its willingness that Swedish vessels lying in Swedish ports be employed for this purpose, the United States, British and Canadian Governments immediately declared themselves ready to authorize monthly shipments of 15,000 tons of wheat or flour from North America to Greece, subject to appropriate conditions governing the distribution of these imports and of Greek native produce in the interests of the Greek people and on the understanding that a neutral commission would receive the necessary control and reporting facilities from the occupying powers. Following the negotiations conducted by the Swedish Government, the German and Italian Governments agreed to this proposal. The belligerent powers have accordingly granted safe conducts for the voyages of the Swedish vessels which will be used. The first three, the Formosa, Eros and Camelia, have already loaded and are scheduled to leave Montreal today for Greece. A Swedish-Swiss Commission has been set up to handle the actual distribution of the supplies, under the general supervision of the existing organization of the International Red Cross Committee, in Greece.

The Greek Government, the American and Canadian Red Cross Societies, and the Greek War Relief Association are actively supporting and cooperating in the operation of this plan.

Reports reaching the Department from Greece have portrayed conditions of suffering from inanition and death from starvation appalling almost beyond belief.

Information has also been received through American officials recently returning from Europe confirming that the small quantities of foodstuffs which have been sent to Greece during the past year under United Nations' auspices and with the cooperation of the Turkish Government have been effectively distributed through the agency of the International Red Cross Committee and consumed by the Greek people only. The reports of these officials indicate, however, that although these supplies have unquestionably saved many persons from death, they have been inadequate to prevent further deterioration of the general food supply situation.

868.48/3255a : Telegram

The Secretary of State to the Ambassador in Turkey (Steinhardt) 41

WASHINGTON, September 3, 1942—midnight.

424. Greek War Relief Association has expressed serious concern over anticipated termination of food relief shipments from Turkey

41 Repeated to Anthony J. Drexel Biddle, Jr., Minister to the Greek Government in Exile at London, as Greek Series No. 7, September 4, 11 p.m.
to Greece because of unavailability of suitable foodstuffs, particularly dried vegetables, for export from Turkey.

The Department understands that the foodstuffs in question have been acquired by UKCC in Turkey and shipped on a Swedish vessel chartered (perhaps indirectly) by the Greek Government. Reports have been received indicating that these supplies were the mainstay of the soup kitchens organized by the International Red Cross which last winter provided a minimum nourishment for as many as 700,000 persons in the Athens area alone.

The Department hopes, for humanitarian reasons, that the shipment to Greece from Turkey of dried vegetables and other food products suitable for soup kitchens can be maintained, especially since this Government would be reluctant to consider extending the concessions already made in connection with Greek relief to include food supplies other than breadstuffs originating outside the blockade area. Turkey is considered inside the blockade area. The Department has been informed that the British Government holds similar views.

The Department would appreciate your comments on this matter. Should the reported unavailability of foodstuffs be due to restrictions of the Turkish Government you are authorized to intervene informally with the Turkish authorities if you feel that any useful purpose would be served by your so doing.

Repeated to London.

Hull

868.48/3296
Memorandum of Conversation, by the Assistant Secretary of State (Berle)

[WASHINGTON,] September 4, 1942.

The Greek Minister came in to see me, at my request.
I said that I wished to clear up the matter of the dried vegetables and other foods which Lend-Lease was proposing to send to Greece. I said that Lend-Lease had gone ahead with making up its schedules and so forth but that this had been done before any international clearance, either through the Department or with the British, in anticipation of possible later clearance. We were now advised that the British did not feel that they wished to extend the agreement, but wished to limit shipments to wheat. We understood that this attitude on the part of the British would keep up in any event until a report was received from the Swedish-Swiss Commission as to the extent of the need for dried vegetables and other foods. At that time, presumably, the question might be re-examined. For the
time being, therefore, I thought that the idea of sending dried vegetables and other foods was out of the question, though after the proposed Swedish-Swiss Commission report came in we would look at it again in the light of the then attitude of the British.

The Greek Minister said that he had a cable from his Prime Minister in London substantially along the same lines. He would therefore work on that basis.

At that time, too, the Prime Minister had said that in anticipation of a possible favorable report from the Swedish-Swiss Commission and a change of attitude of the British Government, he had been directed to work towards getting 2,000 tons of dried vegetables as soon as possible and thereafter 2,000 tons monthly.

I said I noted that, and I thought that in the event of a change of attitude on behalf of the British Government, the food itself could be provided. But until we had some further word, there was not much to be done at the moment.

A. A. B[erle], Jr.

868.48/3251 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

Stockholm, September 7, 1942—8 p. m.
[Received 9:06 p. m.]

2420. British Minister informs me that he has received instructions from Foreign Office to bring following to attention of Swedish Government. He had been requested to ascertain beforehand if I had any objection. I told Mr. Mallet that I could think of no objection as inquiries he presented involved no definite commitment which might affect United States nor apparently Great Britain.

British Government in view of Committee of Action for Greek relief now being at work states that it would welcome advice of Committee as to question of admission into Greece of certain articles not covered by terms of special arrangement for Greek relief nor normally admitted through blockade. Surgical dressings, bandages and milk concentrates for children were articles mentioned. British Government felt it necessary in this connection to mention that it has reports that Germans have pillaged medical stores, quinine in particular, have commandeered hospitals and equipment and reserved for occupying forces all available milk in towns.

British observed moreover that substantial quantities of cotton from which bandages can be made are produced in Greece and that in peacetime almost all milk necessary for home consumption is produced in Greece. Information particularly required by British Government concerns (a) degree of present shortage in Greece (in
case of foodstuffs, supplies now available for individuals in fact) (b) why such shortage exists (c) statement as to extent locally available supplies [are used?] in most efficient way (d) statement prospects insuring that any goods sent to Greece will be properly controlled and that in future local resources will be properly used.

Mr. Mallet told me that in telegram received from Foreign Office mention had been made of instructions which I would receive on same aspect of Greek relief and he was instructed to support any action I might take in this connection. I told him that I had not yet received instructions to which Foreign Office made reference.

JOHNSON

868.48/3284 : Airgram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

London, September 11, 1942—2:30 p.m. [Received September 15—2 p.m.]

A—105. Greek Series from Biddle. With reference to Department's telegram Greek Series No. 7, September 4, 11 p.m., regarding relief food shipments for Greece, Prime Minister Tsouderos, in note of September 8, requests me to convey to you following account of situation:

"As is known, the solution of the problem of supplying the bare necessities in the way of foodstuffs to the starving population of Greece was based on securing the despatch of some elementary foods, indispensable for the maintenance of the people, such as (a) a certain proportion of the population’s wheat requirements, and (b) a small quantity of pulses by means of which the popular feeding-centres prepare a little hot food to accompany the ration of bread. The question of the wheat has entered a favourable phase, thanks to the fact that the scheme for regular shipments in Swedish vessels has begun to be applied. On the other hand, the question of the pulses, which during last winter had been more or less solved by means of shipments from Turkey, has since a few months ago been faced with a fresh and insuperable difficulty in the aggravation of the food situation in Turkey. Exports from Turkey were attended by progressively greater difficulties. The articles of food exported began to be restricted, during the last voyages of the Turkish steamship Dumujinar the cargoes consisted mainly of dried fruits, the value of course, far less than that of pulses. Finally, some time ago the Turkish Government, faced by its own difficulties, declared that it would be compelled to discontinue the Dumujinar’s voyages. It was only as a result of persistent efforts on the part of the British that permission for these voyages to be

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See footnote 41, p. 772.
continued was obtained, though no undertaking was given as to the
duration of this permission, with the consequence that through the
progressive deterioration of the food situation in Turkey we are
threatened with the possibility of the suppression of the voyages
at any moment.

"But a particularly serious aspect of the matter is that the quality
even of the small quantities still being despatched from Turkey to
Greece has fallen to such a degree that some of these foodstuffs are
imperilling the consumers’ health. According to information of an
absolutely confidential nature which has reached us from various
reliable sources, some of the food carried during the latest voyages
of the Dum lupinar was in a state of utter decomposition. Naturally
responsibility for this can in no way be laid either to the Turkish
or the Allied competent authorities, to whom we are ever grateful
for their truly indefatigable endeavours. It is clear that it is due to
the prevailing condition of the market and its restricted resources.
Nevertheless it would be a tragic matter if these damaged food-
stuffs, so far from bringing relief, were to aggravate the health of
the Greek population, whose systems are already enduring such a
strain.

"It should be noted that our requests for foodstuffs other than
wheat are extremely modest. We have given express instructions to
our Embassy at Washington to concentrate all their efforts on
securing the despatch of pulses and, indeed, that any such despatch
should entail a proportionate reduction in the shipments of wheat;
in this way additional transport facilities would not be required.
It is necessary to stress the fact that the available stocks of pulses
in Turkey are exhausted, and that every attempt at obtaining these
articles from other countries in the Middle East has met with an
absolute refusal on the part of the blockade authorities. Pulses
however as well as an adequate quantity of milk or milk products
for the salvation of the imperilled children, must be considered,
from a purely humanitarian point of view, as indispensable for
even an elementary relief of the sufferings of the Greek population.
If wheat alone is available without the above vital nourishment, it
is to be feared that we shall have to face new tragedies.

"We address to you, Mr. Ambassador, a fervent request that you
be so good as to communicate the above facts to your Government
at your earliest convenience. We are making a similar request to
the British Government since, as you state in your letter No. 67,
the latter is in touch with the Department of State, respecting this
matter.

"It is our firm conviction that the American Government which
has always shown so lively and deep a concern for the suffering
population of Greece, will on this occasion also take the necessary
steps to ensure a regular and unhampered shipment to Greece of a
minimum quantity of the foodstuffs necessary for the bare main-
tenance of life among the population.”

Not repeated to Ankara. [Biddle.]  

Winant
ANKARA, September 12, 1942—noon.
[Received September 13—1:50 a.m.]

903. Department’s 424, September 3. While I appreciate the natural concern of the Greek War Relief Association at the possible imminent termination of food relief shipments from Turkey to Greece, I feel that it would be unwise for me to intervene in this matter with the Turkish authorities even informally at this time for the following reasons:

1. Notwithstanding the shortage of foodstuffs including dried vegetables for consumption in Turkey which has resulted in exhorbitant prices to the Turkish public, the Turkish authorities for humanitarian reasons have been more than generous in permitting the export to Greece of substantial quantities of foodstuffs. In this connection I desire to point out that the efforts made by the Turkish Government to ameliorate the appalling food conditions in Greece have not been limited to the foodstuffs shipped directly to Greece but have encompassed shipments to the Islands as well as the feeding of thousands of Greek refugees on Turkish soil.

2. As the Department is aware the Turkish Government has for some months past been endeavoring to obtain limited quantities of wheat from the United States and Great Britain in order to make good a domestic insufficiency. These efforts in so far as the United States is concerned have resulted in the promise of the delivery of a total of 15,000 tons of wheat over a period of months.43 At the same time great publicity has been given to the shipment to Greece of 15,000 tons of wheat monthly from Canada. The Turkish Government is therefore fully conscious of the provision of 15,000 tons of wheat monthly for Greece as against a total of 15,000 tons for Turkey from the United States over a period of months with no assurance of additional deliveries of wheat from the United States. Furthermore, during recent months the Turkish Government has encountered difficulties in obtaining adequate quantities of wheat for its immediate needs from the Middle East Supply Center, and although some shipments have been made they have been considerably less than the Turkish authorities deemed necessary.

3. There is at the present time an acute shortage of all foodstuffs throughout Turkey including dried vegetables. This is due in part to the fact that the harvest has not yet been made. Furthermore, the Government is struggling against a steady rise in the cost of all foodstuffs which has already resulted in the following prices per pound in dollars for staples: sugar, .37; fish, from .55 to 2.21; fruit, from .28 to .40; dried beans, .23; butter, 1.10; black bread, .07½; rice, .40; milk per quart, .23.

4. I am informed by the British Commercial Counselor that the Minister of Commerce yesterday informed him in reply to repre-

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43 For correspondence on this subject, see vol. iv, section under Turkey entitled "Favorable response by the United States to Turkish requests for additional wheat."
sentations similar to those requested of us that Turkey no longer has enough dried vegetables to feed its own army, and that in consequence the Turkish Government could not countenance further shipments of dried vegetables to Greece.

In view of the foregoing, I hesitate to make even informal representations to the Turkish authorities lest we lay ourselves open to a rebuff which might involve a request for assistance to Turkey in solving its own shortage of foodstuffs.

Repeated to London.

STEINHARDT

868.48/3370a : Telegram

The Secretary of State to the Minister in Sweden (Johnson)

WASHINGTON, September 14, 1942—10 p. m.

772. The Greek Legation has submitted a request to the Office of Lend-Lease Administration for a monthly quantity of 2,000 tons of dried vegetables and beans to be supplied to the population in occupied Greece (presumably on the Swedish vessels from Montreal) and distributed through the existing distributing arrangements in Greece.

The interested authorities of this Government share the reluctance expressed by the British authorities to consider extending the blockade concessions already made in connection with Greek relief, particularly pending the receipt of the views of the Swedish members of the Control Commission requested through the Swedish Foreign Office by the British Minister at Stockholm on July 31. We should be glad to receive these views as soon as possible, however, as well as the views of the British Government in this matter, and are meanwhile requesting the Lend-Lease Administration to defer action on the Greek Legation's requisition.

Repeated to London as no. 4462.

HULL

868.48/3319

The Financial Counselor of the British Embassy (Stopford) to the Assistant Secretary of State (Long)

(W.T. 4/113/42) WASHINGTON, September 15, 1942.

MY DEAR MR. LONG: I am writing with reference to the Department's memorandum of July 28th on the subject of Greek Relief shipments of Swedish vessels. We have recently received some telegrams from London which I think you will find of interest. In the first, London inform us that the Swedish controllers were due
to arrive in Greece on August 26th. Two further shipments were
to have sailed about August 29th from Canada, and three more
when the Commission so advises. At the date when London sent
these, that is to say, August 30th, no export license applications
had been referred to the Ministry of Economic Warfare, either in
respect to medical supplies or in respect of milk.

The Greek Government have urged the shipment of two or three
tons of pulse a month on Swedish vessels replacing wheat if neces-
sary. The Commission have been asked to report on the question.
If the report is satisfactory and favourable, London are disposed
to agree subject to supply possibilities and to the views of the
United States Government.

London expect requests for milk concentrates for children and for
bandages and surgical dressings which are at present excluded from
the terms of the concession. Meanwhile they think that an obstinate
refusal would be mistaken, as they feel that they cannot either
(a) treat Greece conspicuously better than other occupied countries
or (b) make good Axis depredations. The British authorities there-
fore propose to consult the Commission in this matter.

London had already stressed the importance of the condition
reserving Greek foodstuffs for the Greek people and referred to
reports of Axis requisitioning of oil and exported vegetable produce
this season. They would most warmly welcome a similar ap-
proach by the U.S. Government and have asked the British Min-
ister at Stockholm to support this when made.

You will also be interested in a telegram addressed by the
Minister of Economic Warfare to the British Minister in Stock-
holm on this and related questions. I therefore attach a copy 44
for your information.

Yours sincerely,

R. J. STOPFORD

868.48/3271 : Telegram

The Ambassador in Turkey (Steinhardt) to the Secretary of State

ANKARA, September 16, 1942—11 a.m.

[Received 9:38 p.m.]

916. My 903, September 12, noon. The Greek Chargé d’Affaires
called to see me yesterday and requested me to transmit to the
Department the proposal that instead of the contemplated ship-
ments of 15,000 tons of wheat monthly from Canada to Greece the
shipments comprise 18,000 tons of wheat and 2,000 tons of dried
vegetables. He gave as his reason the urgent necessity of obtaining

44 Not printed.

428310—62—50
dried vegetables as the soup kitchens furnished the only warm meal daily to 700,000 people and that while wheat was highly desirable it would not be possible to maintain the soup kitchens without dried vegetables.

STEINHARDT

868.48/3320

The Second Secretary of the British Embassy (Ritchie) to Mr. Foy D. Kohler of the Division of Near Eastern Affairs

SD–144

WASHINGTON, 18 September, 1942.

DEAR MR. KOHLER: About a month ago you mentioned to Mr. Murray the provision of funds to pay the charter costs of the Swedish ships carrying wheat for the relief of the Greek population. We inquired from London what were the financial arrangements for the scheme, and we have now received the following information in reply.

Although the Canadian Government arranged to supply the wheat as a free gift, the British Government thought the Greek Government would probably wish to be associated with the scheme and to meet the cost of chartering the Swedish vessels. It was understood that the Greek Government had dollar resources available which they could use for this purpose.

The Greek Government agreed to pay the charter monies and the charter parties which are in the name of the Swedish Red Cross were signed by the Greek Chargé d’Affaires in Stockholm on behalf of his Government. The Swedish Government and ship owners insisted upon the guarantee of the British Government or the United States Government, and in order to avoid any possible delay the British Minister at Stockholm conveyed a private guarantee to the Swedish Government. This is for your confidential information, since the Greek Government have not been told that we were asked for this guarantee.

The position, therefore, is that the Greek Government are directly responsible for all expenditure in connection with the charter of the ships, and the British Government will only be called upon under this guarantee if they are unable to pay. We should warmly welcome anything which contributes to the success of the scheme and if the Greek Government were having difficulty in finding the necessary funds, and the United States Government were willing to assist them, we should be happy to see an arrangement concluded for such assistance. In our view, any such arrangement should be

* J. D. Murray, Second Secretary of the British Embassy.
made directly between the United States Government and the Greek Government, to whom this matter has not yet been mentioned.

Yours sincerely, W. RITCHIE

Memorandum by the Chief of the Division of Near Eastern Affairs (Alling) to the Assistant Secretary of State (Long)

[WASHINGTON,] September 21, 1942.

MR. LONG: In connection with our conversation on September 17, the so-called "Swedish plan" for Greek relief, and particularly the question of the payment of freight on the vessels, developed as follows:

1. On the insistence of the Greek Government at London and in appreciation of the further deterioration of the tragic food situation in Greece, the British Foreign Secretary addressed a note to Ambassador Winant on February 22, 1942, requesting this Government to associate itself with the British Government in proposing to the Swedish Government that Swedish ships be made available to carry 15,000 tons of wheat monthly from Canada to Greece, and that the Swedish Red Cross supervise the distribution of the supplies thus shipped. No mention was made of any arrangements for financing the scheme in this proposal.

2. On February 26 the Department replied as follows: "The American Government will be glad to associate itself with the British Government in the plans for the relief of Greece as outlined in Mr. Eden's letter." In pursuance of this action the American Minister in Stockholm accompanied the British Minister to the Swedish Foreign Office on March 2 when the latter left an Aide-Mémoire embodying the proposal.

The officers in the Department who were dealing with the subject considered asking the British Government at the time regarding the financial arrangements for the scheme, but it was decided that inquiry on this subject would be inviting a request by the British that we help pay for it, so we made no inquiry of the British on the subject at this time.

3. The Swedish Government agreed to the proposal and, in due course, negotiations were completed for its acceptance also by the Axis powers. Eight Swedish ships were made available and char-

46 See telegram No. 845, February 22, midnight, from the Ambassador in the United Kingdom, p. 739.
47 See telegram No. 860, February 26, midnight, to the Ambassador in the United Kingdom, p. 743.
48 See telegram No. 399, March 2, 7 p.m., from the Minister in Sweden, p. 743.
tered to the Swedish Red Cross, against a financial guarantee of the Greek Government at London.

4. During his recent visit to the United States the Greek Premier appealed to the officials of the Greek War Relief Association to take over the obligation of paying the freight, which was estimated to run to some $900,000 per month, and the Association agreed to do so to the extent that its funds would permit.

5. In connection with its current drive for contributions, the Greek War Relief Association has obtained the approval of the Community War Chest Organization for the allocation to the Association of $1,000,000 per month for an initial period of six months. The War Chest officials felt, however, that this program was entirely too large for private philanthropy and should be handled by some Governmental agency.

6. Officials of the Community War Chest Organization took the question up in this vein with the President's War Relief Board. The latter agreed with their view, and undertook to explore whether some American government funds might not be available for the purpose.

7. To this end Mr. Charles Taft, Acting Chairman of the War Relief Board took the initiative of calling a meeting of interested official agencies, which was held at the Treasury, and attended by representatives of the Treasury, Bureau of the Budget, War Relief Board, American Red Cross, and State Department (Allen and Kohler of NE 49). Among the possible sources of funds discussed was the emergency foreign war relief funds granted to the President, usually referred to as “The President’s Fund”. During the discussions Mr. Mitchell of the Red Cross expressed doubt as to whether the Comptroller General would approve the use of these funds for payment of freight on supplies not purchased in the United States. Mr. Taft suggested that the question be presented to the Comptroller General for a definite ruling, and undertook to do so himself. No objections were raised to this proposal by anyone present at the meeting.

8. NE’s interest in the financial aspects of the Greek relief scheme resulted from our general endeavors, on instructions from Mr. Welles and Mr. Berle, to investigate means of aiding the Greek Government financially, in accordance with a promise we understand to have been made to the Greek King by the President during the King’s recent visit to the United States. The increasing expenditures for the chartering of relief vessels is one of the heavier obligations against the limited resources of the Greek Government (See Lon-

49 Division of Near Eastern Affairs.
don's telegram 5202, September 17, 6 p. m.\(^{50}\). This interest was expressed by our representatives at the meeting at the Treasury Department.

9. Following the meeting, Mr. Taft prepared a letter\(^{51}\) requesting a ruling from the Comptroller General on the question of the possible use of the President's fund for the payment of this freight. At the request of Mr. Taft, Mr. Allen of this Division accompanied him to the Office of the Comptroller General when he submitted this letter.

10. In response to Mr. Taft's letter, the Comptroller General ruled that the President's fund could be used to pay the freight. Mr. Taft informed the Department in a letter\(^{52}\) now in the Special Division. Mr. Taft also informed the Red Cross of the Comptroller General's ruling.

11. Mr. Norman Davis called Mr. Allen on September 18, to say that he had learned of the Comptroller General's ruling. He said that regardless of the ruling he did not favor use of the funds in this manner. He said that it had been his understanding that neither the President nor the State Department had favored such use of the funds and inquired whether there had been any change in this respect. Mr. Allen said that he had acted under general instructions to investigate sources of possible United States Government assistance to the Greek Government, that the use of the President's fund had often been mentioned as one possible source in this connection, and that since Mr. Mitchell of the Red Cross had stated that the Red Cross was not certain whether the Comptroller General would approve the use of the fund in this manner, Mr. Taft had taken steps to determine this question, in order to eliminate any further consideration of this source if it could not be used. Mr. Allen said that it had also been desirable, from the point of view of his study of the general question of financial assistance to Greece, to have this question determined.

Mr. Davis said that he considered the Comptroller General's decision legally untenable and that he intended to disregard it because (1) the Budget Bureau would not approve anyway and (2) he had given the Finance Committee of the Senate his personal promise, when the last appropriation for the President's fund was approved, that none of the funds so appropriated would be used for relief in Axis occupied territory. He said he could not go back on his word, no matter what the Comptroller General might say.

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\(^{50}\) Post, p. 803.
\(^{51}\) Dated August 26, 1942, not printed.
\(^{52}\) Dated September 11, 1942, not printed.
Mr. Allen said that he had understood Mr. Taft's action as a necessary step to determine merely whether the fund could be so used, and not to have involved any decision as to whether it should be used in this manner. He said that in view of Mr. Davis' position it seemed clear that those who had been looking towards the President's fund either as a source specifically of Greek relief or as a means of aiding the Greek Government financially would have to look elsewhere for funds.

Mr. Davis said he thought no harm had been done but that he wanted to make his position on the subject clear to the Department.

12. While the above developments have been taking place, officers of the Division have endeavored to learn informally from the British the exact financial arrangements for the "Swedish Plan for Greek Relief". Attached is a letter which has now been received from the British Embassy, reporting that the Greek Government has assumed full responsibility for payment of the freight but that the British Government, unknown to the Greek authorities, has given an underwriting guarantee to the Swedish Government.

Paul H. Alling

868.48/3280

The Department of State to the Greek Legation

Memorandum

Reference is made to the Greek Legation's memorandum which was left with Mr. Welles by the Minister on August 13, 1942 with further reference to the request previously made that the United States Government extend the use of the facilities available to it to effect the remittance of $39,576.96 from this country to the Banque des Reglements Internationaux for the account of the International Red Cross for use by that organization in the purchase of supplies for relief in Greece.

As the Legation is aware, this Government has every sympathy for the plight of the Greek people and appreciates their great need for outside assistance. The exception to the blockade policy which has been made in favor of Greece in connection with the current relief scheme involving substantial shipments of breadstuffs and medicines from the Western Hemisphere to Greece is evidence of the sympathetic attitude of this Government and of the Governments associated with it in the war effort.

53 Supra.
54 Not printed.
Note has been taken of the statement in the memorandum under reference that these shipments, though substantial, are far from securing the current needs of the Greek population and, therefore, that supplemental invoices from other countries are still urgent. The Department of State is obliged to point out, however, that the shipments referred to above are permitted passage through the blockade only as an exceptional measure and until the effect in Greece of the shipments now being made can be observed and evaluated, it will not be considered feasible to make further concessions of this character.

WASHINGTON, September 23, 1942.

Memorandum of Conversation, by the Assistant Secretary of State
(Berle)

[WASHINGTON,] September 25, 1942.

The Greek Minister came in to see me, at his request.

He said that he had received a cable from his Government relating to relief shipments to Greece. This made it clear that the understanding of the Greek Government in London, and of the British Government in London, was exactly the same as the understanding which he had had of the situation, following his conversation with me. This was that only wheat was to be shipped to Greece, but that a report from the Swedish-Swiss Commission was to be expected; and that at that time the situation might be reviewed.

The Minister said that his Government had now requested him to ask this Government for a commitment to supply 2,000 tons of dried vegetables, under Lend-Lease, if, as and when, and in the event that, the British Government and ourselves were agreed that these could go forward. In other words, in the contingency that both governments were willing that this food should go forward, the Greek Government wanted a commitment that it would be supplied under Lend-Lease.

I said that I would have to take this up with the appropriate authorities. As he knew, I had handled the matter of the earlier supplies, in Mr. Acheson’s absence, but I would endeavor to ascertain from Lend-Lease whether they were prepared to make a commitment at this time.

A. A. B[erle], Jr.
The Chargé in Sweden (Greene) to the Secretary of State

STOCKHOLM, September 28, 1942—2 p. m.
[Received 2:23 p. m.]

2686. Legation's 2594, September 21, 6 p. m.\(^{55}\) Foreign Office states following just received from Greek Relief Committee of Action.

Committee has taken over supplying of bread to population of Athens and Piraeus. Ministry has been eliminated. Wheat is delivered directly to mills. Output after milling 75%. Exclusive rights and full control has been secured to dispose of product of mills Sankt, Geori and Attike. Profits and expenses at mills and bakeries now subject to control. Bread price fixed without commercial consideration only covering transportation, milling and general costs. Any surplus obtained is used to compensate prices or for gratis distribution. To lessen possibility of cheating it has been prescribed that ratio between flour delivered and bread supplies shall not be less than 100 to 140. Bakeries convicted of negligence will be closed permanently. Control of 700 bakeries is being successively established. Pending completion of Commission's own distribution organization lists for requisitioning of bakery flour are being examined and endorsed. Bread card system also examined to reduce excessive cards. Establishment of new bread card system under control of Commission being considered. Normal ration is 190 grams; extra rations given only to certain sick persons and public utility workmen. General plan will be ready shortly covering distribution to provinces. Cyclades will come first as need there greatest. Preparations also being made for Patras and Peloponnesus. Distribution of bran in exchange for milk for children and sick persons being organized to exclude interests of occupying powers in future. Preparations being made for distribution under satisfactory control of medical stores.

GREENE

The Acting Secretary of State to the Chargé in Sweden (Greene)

WASHINGTON, October 5, 1942—7 p. m.

847. Your 2420, September 7, 8 p. m., final paragraph. In a memorandum handed to the British Embassy on July 28, the Department suggested a concerted British and American approach to the Swedish Government regarding our expectation that the Control

\(^{55}\) Not printed.
Commission would take measures to secure Axis observation of the fourth condition of the relief scheme, particularly as respects native olive oil which we were reliably informed the Germans were continuing to withhold. A reply to this memorandum has only now been received, confirming the report in your 1997, July 31, 5 p. m.56 that the British Minister had already received instructions to take this matter up with the Swedish Foreign Office. Since he appeared to have done so in consultation with you, a separate démarche has seemed unnecessary. You may, however, upon appropriate occasion make it clear to the Swedish authorities that this Government fully associates itself with the British aide-mémoire reported in your telegrams under reference.

Welles

868.48/3336

The Greek Embassy57 to the Department of State

WASHINGTON, October 29, 1942.

MEMORANDUM

The following is a paraphrase of a cable sent to the Royal Greek Embassy in Washington by the Greek Government, dated October 27.

"It was communicated to us by the British Government that they have decided to allow monthly transportation of a hundred tons of condensed milk and three thousand tons of dry vegetables to Greece. Please contact the competent American authorities for immediate transportation to Montreal of the vegetables put at our disposal in accordance with arrangements made by you with the American Government."

868.48/3329

The Second Secretary of the British Embassy (Murray) to Mr. Foy D. Kohler of the Division of Near Eastern Affairs

W.T. 4/135/42

WASHINGTON, 31 October, 1942.

DEAR KOHLER: Many thanks for sending me the paraphrase of the cable dated October 27th which the Greek Embassy in Washington received from the Greek Government. We have now received two telegrams from London which fill in some of the shading.

The Ministry of Economic Warfare begin by expressing their gratitude for the prompt decision of the United States authorities

56 Not printed.
57 The Greek Legation was raised to the status of an Embassy on October 6, 1942.
regarding powdered milk. They say that 30 tons of powdered milk held by the Canadian Red Cross are being licensed for shipment if they are still available. This is no doubt the consignment originally intended for the Sicilia. They add that the Greek Government are considering arrangements for obtaining the further supplies which will be necessary shortly. Here the Ministry remark that it is desirable to exclude uncoordinated action by private would-be donors and that they are temporarily trying to avoid publicity being given to the joint decision that 100 tons of milk may be sent to Greece each month. I know that you are studying the question of further supplies and that, at first sight at least, you favour supplies being purchased by the Greek War Relief Association. In this connection it might be desirable to consider whether the Association should not be required to turn over the milk it may obtain either from donations or by purchase to the American or Canadian Red Cross for export. This is consistent with the principle laid down by the State Department that the American Red Cross should be responsible for all exports of relief goods from this country to destinations inside the blockade, and it might avoid trouble in future if it could be established that while the Greek War Relief Association might in certain circumstances acquire by purchase or donation goods intended for Greece, they should invariably be exported in the name of the national Red Cross society of their country of origin.

With reference to Mr. Long's request to Mr. Hall for information regarding the exact nature of the pulses being provided in Canada, the Ministry state that the 3,000 tons being supplied to the Greeks is part of an odd lot of 10,000 tons of leguminous vegetables suitable for making soup which is held by the British Ministry of Food in Canada. They were prepared for shipment so that there should be as little delay as possible after the anticipated favourable recommendation was received from Monsieur Allard and the Control Commission. When the favourable recommendation of the above-mentioned authorities reached London on October 27th, instructions were given for the 3,000 tons of pulses to be loaded in vessels then due to leave Montreal very shortly.

The Ministry inform us that pulses from the United States will be required in future as regular supplies cannot be made available in Canada, though in this connection the Greeks may eventually take over the balance of the 10,000 tons mentioned above. The Ministry have been given to understand that the Greeks have asked for a consignment of pulses to be sent forward from the United States
under Lend Lease for loading on ships due to leave Canada at the end of November.

In telegraphing to His Majesty's Minister at Stockholm to inform him of the latest developments, the Ministry remarked that while they welcomed the possibility of accelerated turn round of relief ships in Greek ports, they are not at present able to authorise an increase in the actual rate of shipments above 15,000 tons a month. They expressed the hope that H. M. Minister would be able to provide a very early and full reply to the questions addressed to him regarding conditions in Greece and the efficiency of the controls now being established. They remark that they still have no clear picture of the general food situation in Greece nor information about control and disposal of Greek produce as provided in the terms covering the relief scheme. While they appreciate that the Control Commission has already achieved a great deal, they point out that Monsieur Allard's silence on these points makes it difficult to give proper consideration to various proposals put forward for additional relief.

I am sending a copy of this letter to Mr. Brandt.58

Yours sincerely,

J. D. Murray

868.48/3321: Telegram

The Chargé in Sweden (Greene) to the Secretary of State

STOCKHOLM, November 5, 1942—1 p. m.

[Received November 5—10:12 a. m.]

3121. Swedish Chargé d’Affaires at Athens states Germans and Italians prepared send food from respective countries in compensation for products consumed by troops of occupation. Italians will send 2500 tons of cereal for civil population; Germans prepared to send 20 to 28,000 tons of potatoes, 5,000 tons of seed potatoes, 15,000 tons of sugar and 15,000 tons of pulse. Swedes suggested that Mongabarra now unloading at Piraeus be sent to Trieste to load and transport these goods to Piraeus. Germans suggest that Hallaren be sent as well. Swedish control officer can be placed on board if desired. Swedes consider that it is urgent that these goods reach Greece before worst of cold weather arrives and that in no other way can they be sent there. They desire to know if this is agreeable to United States Government. Same request made of British Government. Last Greek relief telegram 3069 October 31, 3 p. m.59

Greene

58 George Louis Brandt, Executive Assistant to the Assistant Secretary of State.
59 Not printed
868.48/3322 : Telegram

The Chargé in Sweden (Greene) to the Secretary of State

STOCKHOLM, November 5, 1942—5 p. m.
[Received November 5—4:06 p. m.]

3132. Foreign Office states that it has today received another telegram from Swedish Chargé d'Affaires in Athens along lines my 3121 November 5, 1 p. m. and strongly urging that plans for sending Mongabarra and Hallaren to Trieste be approved and stating Axis Powers agreed in addition to importing amounts mentioned to "reduce" consumption by forces now in Greece.

GREENE

868.48/3316 : Telegram

The Secretary of State to the Chargé in Sweden (Greene)

WASHINGTON, November 6, 1942—10 p. m.

961. Your 3069, October 31.86 The interested agencies of this Government have approved the shipment to Greece of monthly quantities of 2000 tons of dried vegetables and 100 tons of powdered milk, and agree that these amounts may be in addition to the 15,000 tons of wheat now going forward each month if the shipping space available permits. It is understood that distribution will be effected by the Committee of Action under the agreed conditions of the scheme and that the milk will be reserved for needy Greek children, mothers and invalids.

The 2000 tons of dried vegetables will be supplied by this Government, through Lend-Lease to the Greek Government. Procurement is already in course, and it is expected that the first Lend-Lease shipment will reach Montreal for loading late this month, following the initial shipment of 3000 tons of Canadian dried vegetables now going forward.

The foregoing has been communicated to the British Embassy here for transmission to London.

HULL

868.48/3322 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)81

WASHINGTON, November 13, 1942—midnight.

5701. The Legation at Stockholm reports that the Swedish Chargé d'Affaires at Athens has urged that the Swedish vessels Mongabarra,
now unloading at Piraeus, and *Hallaren*, which has been operating in the Eastern Mediterranean, be sent to Trieste to load and transport to Greece certain foods which the Germans and Italians are stated to be prepared to supply in compensation for native Greek products consumed by the occupying troops. These are said to include: from the Italians, 2,500 tons of cereal; from the Germans, 15,000 tons pulse; 15,000 tons sugar; 20 to 25,000 tons potatoes, and 5,000 tons of seed potatoes.

This proposal is agreeable to this Government provided the British Government concurs and on the understanding that: 1) a Swedish observer would be placed on board these vessels; 2) these supplies would be distributed to the Greek people in conformity with the conditions of the relief scheme; and 3) the vessels would be used solely for the transportation of these supplies and returned to their present status as soon as that operation is completed.

It is assumed that the Greek and British Governments would make appropriate stipulations as regards the payment of the freight on these vessels and that the latter would take the necessary action as regards granting of safe-conduct.

Repeated to Stockholm for information and for communication to the Swedish Foreign Office if and when the British Minister receives similar instructions.

Please communicate foregoing to appropriate British authorities.

Hull

868.48/3350b : Telegram

*The Secretary of State to the Ambassador in the United Kingdom (Winant)*

**WASHINGTON, November 17, 1942—10 p.m.**

5767. Legation at Stockholm has been informed by the Swedish Foreign Office that German Government has now consented to supply of foodstuffs to Aegean islands in conformity with Greek relief scheme. It is proposed that one of Swedish relief ships unload at Smyrna where arrangements would be made to store grain, which would be transported to islands in motor sailboats furnished by German navy and manned by Greek crews and distributed under control of International Red Cross representative in Turkey. Legation reports further that the Germans declare Crete should be provisioned from Kalamata and Swedish Chargé Athens inquires whether the steamer *Camelia* might unload at that port which is said to have storage facilities for about 6,000 tons grain. Germans
suggest that a 60 [600?] ton Swedish vessel be made available to carry grain from Kalamata to Crete and Swedish Chargé believes such vessel might also be used between Piraeus and Cyclades.

This Government is prepared to agree to the first of these proposals, if the British find them satisfactory, and will be glad to instruct the Embassy at Ankara to indicate to the Turkish Government our interest in the use of Smyrna as a distribution base, if such action seems desirable. As regards the second proposal, we have no objections in principle, but should like information regarding the arrangements contemplated for the chartering and fueling of the 60 [600?] ton Swedish vessel which it is proposed to use.

Repeated to Ankara for information and to Stockholm for information and appropriate action in consultation with British Legation.

Please take up with competent British authorities.

HULL

868.48/3349: Telegram

_The Chargé in Sweden (Greene) to the Secretary of State_

**STOCKHOLM, November 23, 1942—6 p. m.**

[Received November 23—2:49 p. m.]

3329. British Minister and I are submitting _aides-mémoire_ to Swedish Government this afternoon in sense of Department's 988, November 13, midnight, British Minister taking up in addition question of payment of freight and certain details concerning safe conduct including marking of vessels.

GREENE

868.48/3359: Telegram

_The Chargé in the United Kingdom (Matthews) to the Secretary of State_

**LONDON, December 23, 1942—4 p. m.**

[Received—9:30 p. m.]

7291. Department's 5767, November 17, 10 p. m. The following is the substance of a Foreign Office note dated December 19:

The British Minister at Stockholm was authorized on December 10 to inform the Swedish Government that the British Government in principle agreed to the setting up of a food depot at Izmir and to the use of caïques, with Greek crews, to transport relief goods from Izmir to Mytilene, Chios, and Samos, provided that satisfactory

— See footnote 61, p. 790.
control could be established by the Commission. Conditions under which such control would be satisfactory are the following:

1. No delivery of relief goods should be made to any island where there are Axis forces unless permanent residence has been taken up by a neutral supervisor.

2. Control of the relief administration should be so exercised as not to assist the occupying powers in exacting labor from the inhabitants on works of military importance or in the maintaining there of their own forces. The Neutral Commission should control the requisitioning and export of local produce, which of course should be prohibited in the rise of staple foods which are similar to those being imported as relief goods.

3. In cases where wheat or flour is sent in bags, these bags should be kept under one commission's control either for return or for its own use.

4. Any vessel engaged in this work may carry only relief goods at any stage of its voyage, and cannot carry passengers other than the Neutral Commission's authorized representatives. Unless reliable control is possible at all the ports visited, therefore, a neutral supervisor should be carried on all voyages in Greek waters.

5. Deliveries should be suspended by the Commission when its requirements are not fulfilled. The Commission should, for this purpose, be in a position to arrange that the necessary information is available regularly.

Insofar as Crete and the Cyclades group are concerned, the British Government was obliged to inform the Swedish Government on November 5 that, because of operational reasons, it could not agree to the use of small craft plying between the islands themselves or from the mainland to the islands. On the other hand, there is no objection on the part of the British Government to the use of one Swedish vessel of not less than 600 tons for the purpose of provisioning the islands of the Cyclades and Crete if the Swedish Government is able to make available from shipping now in Swedish waters a vessel for this purpose. Nevertheless, the British Government would require the fulfillment of the same conditions of control as set forth above for the Aegean Islands. On December 8 the British Minister at Stockholm was instructed to inform the Swedish Government accordingly, but subject to the concurrence of the American Chargé d'Affaires in Stockholm and without prejudice to fueling arrangements and the question of chartering.

The American Government (says the Foreign Office note) may be aware that the Italian Government, having at first cooperated in the arrangements for the despatch of the steamer *Eros* to Kalymnata to unload there a portion of her cargo, upon her arrival refused to permit her to be unloaded. Apparently this development rules out, at any rate for some time, the possibility of provisions
being sent from Kalamata to Crete. Furthermore, it will take some considerable time before a 600-ton vessel despatched in the Baltic can arrive in Greek waters. Therefore the Commission may take advantage of the agreement in principle which the British Government has given to one of the Swedish ships calling direct at Syra and Naxos in the Cyclades, (the only two suitable ports), and at Crete. Admittedly, this will not assist in the feeding of the other Cyclades islands because of the ban which, for operational reasons, the British Government has felt obliged to place on shipments from Syra and Naxos by caique.

In the meanwhile, the Canadian Government has informed the Swedish Government that it is prepared, after adequate notice, to load perhaps a thousand tons of flour instead of wheat periodically in ships departing from Canada for delivery to Syra, Naxos, and Crete, if facilities for milling are not available in those places. The British Government understands that the Swedish Government has inquired of the Commission whether it would prefer to accept this offer or to make arrangements for one of the Swedish ships now in this trade to carry flour milled at Athens from the Piraeus to these islands.

MATTHEWS

ATTITUDE OF THE UNITED STATES TOWARD THE DESIRE OF THE GREEK GOVERNMENT TO ABOLISH THE INTERNATIONAL FINANCIAL COMMISSION

[The origins of the regime of financial control existing in Greece are found in the Preliminaries of Peace between Turkey and Greece, signed at Constantinople on September 18, 1897 (British and Foreign State Papers, vol. 90, p. 546). Article II provided for an International Commission of the Representatives of the Mediating Powers (Great Britain, France, Russia, Germany, Italy, and Austria-Hungary) and required the Greek Government to enact legislation under which the Commission would be empowered to collect and utilize revenues sufficient to service the external debts of Greece. The Commission, which became known as the International Financial Commission, was established in 1898 pursuant to legislation passed by the Chamber of Deputies and sanctioned by the King (ibid., p. 403). Following World War I, Russia, Germany, and Austria-Hungary were eliminated from

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*Under the terms of the Agreement between the United States and Greece signed at Washington on May 10, 1929, the service of a United States loan of $12,187,000 was to be secured by the revenues under the control of the International Financial Commission. The text of the agreement is in the Annual Report of the Secretary of the Treasury on the State of the Finances for the Fiscal Year Ended June 30, 1929, p. 308; for correspondence on this subject, see Foreign Relations, 1928, vol. III, pp. 1 ff.*
the Commission. The advent of World War II raised serious problems concerning the functioning of the Commission, particularly the conflict of interests between Great Britain and Vichy France after June 1940, the outbreak of war between Great Britain and Italy and between Greece and Italy, and the German invasion and occupation of Greece in April 1941, with a puppet regime at Athens and the legitimate royal government in exile.

865.1 War Credits/786 : Telegram

The Chargé in the United Kingdom (Matthews) to the Secretary of State

LONDON, March 28, 1942.
[Received March 28—1 p. m.]

1497. Foreign Office has informed us that the Greek Government desires the abolition of the International Financial Commission at Athens and that the British Treasury proposes to put the following points to Greek Finance Minister Varvaresos in order to safeguard interests of bondholders:

“(a) Formal reaffirmation by Greek Government that existing rights, securities, privileges and priorities of external loans will remain unchanged.

(b) Disposal of assets held by Commission on behalf of bondholders (including drachmae treasury bills and mortgage on expropriation of Refugee Settlement Commission).

(c) Appointment of some agency (for example Bank of Greece) to receive and release assigned revenues and take over other functions of Commission in connection with service machinery.

(d) Arrangement for provision of statistics.

(e) Substitution of new agency (for example Bank of Greece) for the Commission in loan contracts and other relative documents.

(f) Disposal of Commission’s accounts with paying agents.

(g) Safeguards for Commission’s staff.”

Foreign Office note to Embassy continues:

“It is proposed to suggest to Monsieur Varvaresos that the best course would be for him to discuss these points informally with representatives of the Council of Foreign Bondholders and the League Loans Committee, and to tell him that an arrangement satisfactory to these bodies would be likely to meet with the approval of His Majesty’s Government. Monsieur Varvaresos would also be told that the United States Embassy have been informed of the position in view of the United States interest in certain of the loans.

As soon as agreement has been reached regarding points (a) to (g) above, an agreed announcement could be issued to the effect that His Majesty’s Government were prepared to withdraw their representative on the International Financial Commission, and to
acquiesce in its formal suppression by the Greek Government. Subsequently, still more detailed modifications to the loan contracts would have to be negotiated between the Greek Government and the various bankers, who are trustees for loans; also with His Majesty's Government in respect of guaranteed loans still outstanding, and with the United States Government in respect of the loan made by them in 1929.

The points (a) to (g) constitute the safeguards, etc., which our Treasury have in mind, but they are not final and may be modified or amplified in the course of the various discussions with the Greek Minister of Finance."

Foreign Office has given us copy of telegram concerning these proposals sent by League Loans Committee in London to Federal Reserve Bank New York for communication to Wadsworth care Red Cross Washington with copy to National City Bank New York. We presume this is available to Department.  

MATTHEWS

865.51 War Credits/786 : Telegram

The Secretary of State to the Ambassador in the United Kingdom
(Winant)

WASHINGTON, May 19, 1942.

2251. Your 1497, March 28. In a letter commenting on the contemplated abolition of the International Financial Commission at Athens, the Treasury refers to its interest in the continuation of the Commission under the terms of the debt agreement with Greece of May 10, 1929 and the supplementary agreement of May 24, 1932 55 and, after quoting the security provisions in Part II of the agreement of May 10, 1929, says:

"The Secretary of the Treasury was authorized to execute the agreement of May 10, 1929 pursuant to the Act of Congress approved February 14, 1929. 56 Under these circumstances the Secretary of the Treasury is not in a position to formally consent to the action proposed by the Greek Government for the abolition of the International Financial Commission at Athens. However, the Treasury appreciates the position of the Greek Government in the

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55 Telegram of March 26, 1942, from the Bank of England to the Federal Reserve Bank of New York, not printed; it described in part the anxiety of the Greek Government to abolish the Commission as (Vichy) French and Italian representatives, possibly with the addition of reappointed Germans, were competent to exercise the functions of the Commission; it indicated further that the British Government was in principle disposed to withdraw its representative, who was unable to exercise his functions in any case, and had no objection to the termination of the Commission by the Greek Government. A copy of the telegram was furnished to the Department on April 1, 1942, by Elliot Wadsworth who was American member of the League Loans Committee in London. (865.51/1651)


57 45 Stat. 1176.
present circumstances. In the event the Greek Government should proceed with such action, it is considered desirable that appropriate assurances be obtained that its action does not prejudice the interests of the United States and that all existing rights of securities and priorities applicable to the indebtedness of Greece to the United States under the agreements of May 10, 1929 and May 24, 1932 remain unchanged and that arrangement will be made for functions hitherto discharged by the International Financial Commission to be committed to the Bank of Greece or other appropriate body. It appears that assurances of this character will be acceptable to the League Loans Committee (London) and the British Government.

Upon receipt of notification of any action taken by the Government of Greece to abolish the International Financial Commission the Treasury, at the appropriate time, will be glad to consider any action on the part of this Government which may be necessary to bring the provisions of the agreements of May 10, 1929 and May 24, 1932 into accord with the changed conditions brought about by the arrangements made by the Greek Government.”

HULL

VISIT OF KING GEORGE II TO THE UNITED STATES

[Plans were made public by the Department of State on November 17, 1941, that King George II would visit the United States shortly for a three-week visit. Four days later, the Department announced that the visit had been postponed. For relevant press releases, see Department of State Bulletin, November 22, 1941, page 406.

On February 27, 1942, the Greek Minister, Cimon P. Diamantopoulos, informed the Under Secretary of State, Sumner Welles, that King George II had expressed the earnest hope he might return from Egypt to England by way of the United States, his visit to be on an informal basis. On March 2, Mr. Welles informed the Greek Minister that President Roosevelt had approved the visit on this basis. (868.001G291/86)]

The King, accompanied by the Greek Prime Minister, Emmanuel Tsouderos, and a small party, arrived in Washington on June 10. The itinerary planned for the early part of the King’s visit is printed in the Department of State Bulletin, June 6, page 523. On June 26, the King handed to President Roosevelt copies of memoranda regarding the drafting of Greek subjects in the United States, dated June 15 (page 818), the financial problems of the Greek Government, dated June 15 (page 798), and the post-war aims of Greece, dated June 12 (page 822), and a photographic record of conditions in Greece. The President expressed his appreciation for the documents left with him in a letter to the King on July 7 which stated: “I understand that Mr. Tsouderos has handed copies of these memoranda to the Secretary
and the Under Secretary of State and that they are already receiving
the attention of the appropriate officials of this Government.”
(868.00/1157)

President Roosevelt and King George ended their conversations on
July 9 and prepared a joint statement which was released by the White
House the same day. This statement is printed in the Department
of State Bulletin, July 11, page 601. The statement indicated the
Secretary of State and the Greek Prime Minister would sign on the
following day an agreement on the principles applying to mutual aid
in the prosecution of the war.

For correspondence on the Lend-Lease Agreement between the
United States and Greece, signed July 10, see pages 814 ff.

For comment by the Secretary of State on December 14 regarding
the visit of King George, see footnote 71, page 800.]

CONSIDERATION BY THE UNITED STATES OF REQUESTS BY THE
GREEK GOVERNMENT FOR FINANCIAL ASSISTANCE

868.2222/4

Memorandum by the Greek Prime Minister (Tsouderos)
Concerning Financial Problem

The Greek public expenditure increases daily for the following
reasons:

a) Our armed forces are constantly increasing by the continuous
addition of new volunteers escaping from Greece. It is to our
interests, both for Greece and the Allied cause, to strengthen our
armed forces to the highest degree. The armament, equipment and
maintenance of the Army, Navy and Air Forces, are taken care of
by Great Britain through a system similar to the Lease-Lend. How-
ever, all other expenditures of the armed Greek forces—salaries,
etc.—burden the Greek budget. Today the monthly expenditure
for this purpose approximates 200,000 Pounds.

b) The needs for relief of the refugees (women and children)
are substantially increasing daily because, due to starvation the in-
habitants escape, especially from the Greek Islands, coming to the
Middle East. The expense for their support burdens us, because
the help of the Red Cross in this direction is limited. I estimate
the yearly expenditure for the support of the refugees who have
arrived up to this time, at 200,000 Pounds. In addition to this, one
can add the expense required for the evacuation of the children
from Greece, should this materialize.

c) The expense for revictualling Greece, for the most part, is
also the burden of the Greek Government. Up till now, the food-
stuffs sent from Turkey were paid for by the Greek War Relief.

67 Transmitted to the Under Secretary of State by the Greek Prime Minister
in his letter of June 16, p. 817. A copy of this memorandum was handed to
President Roosevelt by King George II on June 26; see bracketed note, supra.
It seems, however, that the means of this Organization are not adequate to continue these payments. Consequently, the Greek Government will have to continue, as a guarantor, to make these payments.

To meet such large expenditures, Greece has limited income—namely, whatever she collects annually from our mercantile marine, or from taxes, or from sharing in freight receipts. This amount does not exceed by a great margin yearly the amount of 1,800,000 Pounds. This income is daily diminishing due to the loss of boats through torpedoing.

The Greek Government still has on deposit a balance which is a little over two million pounds.

From the above statements, it follows that the Greek Government will soon find itself facing financial difficulties unless the expenditures for the refugees, the evacuation of children and of the sending of foodstuffs to Greece will be met either by money provided by philanthropic organizations (Red Cross, etc.) or by credits in dollars based on the system of Lease-Lend.

On the above matters, we should appreciate Your Excellency's counsel.

WASHINGTON, June 15, 1942.

Memorandum of Conversation, by the Under Secretary of State (Welles)

WASHINGTON, July 23, 1942.

The Greek Minister* called to see me this afternoon at his request. The Minister said that in accordance with the request of the President to the King and to the Prime Minister that this matter be discussed directly with me, he would now give me preliminary figures covering the financial situation of the Greek Government. The Minister stated that the Greek Government at present had remaining on deposit some $8,000,000. The expenses of the Greek Government at present were $9,600,000 a year for the maintenance of the Greek military, air and naval forces operating in North Africa. In addition thereto, the Greek Government is obliged to spend at the rate of some $1,300,000 a year for the upkeep of refugees and for the transfer of civilian refugees, particularly children. He said that the income of the Greek Government from the charter of Greek merchant shipping was approximately $7,200,000 a year.

* Cimon P. Diamantopoulos.
Consequently, at the present rate they were incurring a deficit of close to $4,000,000 a year, and with the constant shrinking in merchant shipping due to sinkings, this deficit would undoubtedly increase from month to month. Obviously the Greek Government could not find money with which to meet its continuing deficit for more than a relatively brief period.

He said that the King and the Prime Minister had had the impression that the upkeep of Greek refugees might be met by the American Red Cross or by charitable organizations in this country, but the Minister had made it clear to them that this was impossible. He further stated that they had also believed that Lend-Lease arrangements might be resorted to for the purpose of obtaining dollar credits with which to meet their military and naval expenditures. The Minister said that he had also made it clear to them that under the terms of the statutes in force this likewise was not possible.

In accordance with the President's request, the Minister therefore asked that immediate consideration be given to requirements of the Greek Government with a view to ascertaining what assistance this Government might be able and willing to render. I stated that I would be very glad to ask that immediate thought be given to this problem and that as soon as the situation had been canvassed by the appropriate authorities of the Government I would be glad to speak again to the Minister.

SUMNER WELLES

Memorandum by the Under Secretary of State (Welles) to the Chief of the Division of Near Eastern Affairs (Alling)


I suggest that you discuss this problem with Dr. Berle, and I further suggest that, unless you see some objection, the Bureau of the Budget be requested to give its advice as to the best way of handling this situation. It is my understanding that the President has decided that some arrangement must be made whereby the Greek Government can be kept going. The amounts involved are relatively small and

69 See memorandum of conversation, supra.
70 Adolf A. Berle, Jr., Assistant Secretary of State.
71 In a letter of December 14, 1942, to the Secretary of the Treasury (Morgenstern), the Secretary of State said: "King George of Greece and the Greek Premier, during their visit to this country last June, stated that the financial situation of the Greek Government was rapidly deteriorating and appealed to this Government for financial assistance. It is my understanding that the President has decided that some arrangement must be made by which the Greek Government can be kept going." (868.51/1062) Regarding the visit of King George II to the United States, see bracketed note, p. 797.
it would seem to me that the time has come for us to consider the desirability of ascertaining whether the Congress would approve a government-to-government credit for arrangements of this character with the refugee governments.

S[UMNER] W[ELLES]

Memorandum of Conversation, by the Assistant Secretary of State (Berle)

[WASHINGTON,] August 14, 1942.

The Greek Minister came in to see me, at his request.

He referred to a conversation he had had with Mr. Welles with respect to financial assistance for the Greek Government. His point was that he hoped a way might be found by which the United States Government could perhaps take over the burden of supporting a very large number of refugees whom the Greek Government was presently supporting in various countries of the Middle East. He mentioned particularly Turkey, and Palestine, and Egypt. His impression was that roughly two hundred thousand pounds sterling a year were being spent for this purpose, and perhaps we could help in that regard.

I said that I would want to go into the matter before giving him a considered view. I asked if he would be good enough to send me, for our information, a memorandum as to the number of refugees, and their location, and the cost of taking care of them. I would then see what could be done about it. The Minister agreed to do so.

A. A. B[ERLE], JR.

Memorandum of Conversation, by the Chief of the Division of Near Eastern Affairs (Alling)

[WASHINGTON,] August 27, 1942.

The Greek Minister called today at my request.

Referring to the Minister’s conversation with Mr. Welles on July 23, 1942, I told him that an intelligent understanding of his Government’s financial problem and consideration by the Department and the other concerned authorities of the ways in which this Government might be of assistance would be greatly facilitated if he could secure and transmit to us fully detailed information concerning the finances of the exiled Government since its departure from Greece.
In the ensuing conversation I mentioned, in particular, information as to:

1. The amount and status of Greek reserves, including those of the Bank of Greece;
2. The sources and amounts of the revenues available to his Government, past, present and prospective;
3. The amounts and purposes of the Greek Government's expenditures, past, present and prospective;
4. The extent of assistance being received by the Greek Government, directly or indirectly, from the British Government and other sources.

I added that I thought it would assist the Department in its discussion of the matter with other branches of this Government if we were in a position to state what measures the Greek Government has taken and is taking to cut its expenditures to an irreducible minimum.

868.51/1657a : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, August 29, 1942—2 p. m.

4138. During their recent visit to this country the Greek King and Premier stated that because of declining resources the Greek Government would soon need funds to continue its operations and appealed for financial assistance from this Government.

In connection with its consideration of this request, the Department would welcome any information which the British Government may be able to furnish regarding any financial arrangements it may have made with the Greek Government and the extent of the assistance which the British are now rendering or plan to render to that Government, particularly in connection with the equipment and maintenance of Greek military forces, the relief of Greek refugees in the Near East, and the chartering of the Swedish vessels carrying relief shipments to continental Greece.72

Welles

72 For correspondence on the last-mentioned subject, see pp. 724 ff.
The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, September 17, 1942—6 p. m.
[Received September 17—5:46 p. m.]

5202. Department’s 4138, August 29, 2 p. m. According to the Foreign Office the present financial relations between the British Government and the Greeks are as follows:

1. An agreement between the British and Greek Governments was signed on March 9, 1942, under the terms of which the British Government agreed not to claim reimbursement for cost of the equipment and maintenance of the Greek Armed Forces nor for the supply of war material. This means in effect that the Greek Government is being supplied by the British Government on lend lease terms with everything needed by the Greek Armed Forces in so far as this is available from the resources of the sterling area, except cash disbursements or advances for pay or for special purposes. The exact number involved is not known but it is estimated that the personnel of the Greek Army, Navy and Air Force in the Middle East is well in excess of 20,000.

2. Contributions toward Greek relief consist of wheat valued at approximately 300,000 pounds taken from British stocks in the Middle East and defraying the expense of chartering the Swedish ship Hallaren during the last 6 months in Swedish gold crowns at the daily rate of approximately 100 pounds.

3. Before the occupation of Greece the British Government advanced (a) 10 million pounds for purchases in the sterling area, (b) 35 million pounds for internal Greek needs and for covering an increase in note issue and (c) 5 million pounds for the purchase in the United States of certain essentials.

4. (a) Is practically exhausted; as the funds under (b) were sold to the Bank of Greece against drachma the Greek Government contends that the 27 million pounds which remain are not available. This may be discussed by the British and Greeks at some later date but for the present the Greek Government is self-sufficient in sterling, most of which it is deriving from shipping subsidies and taxation; it is now [not?] known how much remains of (c) but it is thought to be very little.

With reference to the Greek financial position in general, the Foreign Office comments that it is without doubt becoming tighter due to increasing expenditures for the chartering of Swedish ships for purposes of relief and for harbor disbursements connected with relief activities; increasing expenditures called for by the rapid growth of the Greek Armed Forces in the Middle East; and increasing expenditures made necessary by the arrival of larger numbers of refugees from Greece by devious routes.
The provision of sterling necessary for the Greeks, the Foreign Office states, is generally speaking regarded as falling within the province of the British. Foreign Office adds however that in view of increasing financial difficulties faced by the Greeks the British Government would be glad if the Greeks were given help in other respects from American sources.

WINANT

868.51/1662

Report by the Greek Minister of Finance (Varvaressos)*

I. STATEMENT OF THE FINANCIAL RESOURCES AT THE DISPOSAL OF THE GREEK GOVERNMENT FROM 23 APRIL 1941 UNTIL 31 AUGUST 1942

At the moment when the Greek Government was compelled to leave Greece it had at its disposal abroad the following funds to meet the expenditure which it was undertaking for the purpose of continuing the struggle:

a) £4,417,000.— balance of a credit of £10,000,000 granted by the British Government to the Greek Government at the beginning of the Greco-Italian war to meet war expenditure incurred outside Greece, and, in particular, for the payment of war material purchased within the Sterling area. The difference, amounting to £5,583,000 between the total credit of £10,000,000, and the aforementioned balance had been expended by the Greek Government before the enemy invasion of Greece.

b) £4,975,000.— (i.e., £1,235,000.—) which the British Government likewise made available to the Greek Government for payment of the value of war material purchased outside the Sterling area.

Thus, at the time of its departure from Greece the Greek Government had at its disposal the sum of £5,652,000 from the above mentioned credits granted by the British Government.

After the seat of Government had been established outside Greece, and more particularly after it had been established in London, the Greek Government created the following sources of revenue:

a) it imposed taxation on Greek merchant ships with retrospective application from April 1941. Up to the 31st August 1942 this had yielded £415,000.—. Unfortunately, this will of necessity be a progressively declining source of revenue, by reason of the continuing heavy losses sustained by the Greek Mercantile Marine; these losses now amount to 60% of its pre-war strength.

b) by means of a legislative measure it enacted that any difference between the freight paid by the British Government, on the basis of the time-charter agreement, and any other higher freight

*No indication on file copy as to when this report reached the Department. On December 10, the Chief of the Division of Near Eastern Affairs referred to this report "recently handed to me by the Greek Ambassador". (868.51/1664)
actually realised by a Greek ship from any cause whatsoever, shall constitute public revenue and, as such, be assigned to the needs of the State.

This arrangement also had retrospective application from April 1941. The sums, however, collected from this source up to the end of November 1941 were by law set aside in fulfillment of the obligations undertaken by the Greek State in connection with the insurance scheme which it had established. Losses were sustained on account of the fact that very many of the Greek ships insured under the scheme were lost in the course of the occupation of the country by the enemy.

At the present moment there is only a very small number of ships in respect of which the above-mentioned item of revenue (from difference in freight) can accrue. Certain arrangements have, however, been made ensuring that, under certain conditions, this item of revenue will be retained in Public Funds as long as the ships in this category (which in the past were trading on the free market) survive. The revenue collected from this source for Public Funds (after deduction of the sums required in fulfillment of obligations under the insurance scheme, as mentioned above) is reckoned at £1,000,000 up to the 31st August 1942.

To the above sums must be added one of $2,000,000.— (approximately £500,000.—), being the unutilized balance of a remittance from the Greek Government to the Greek Legation at Washington, made prior to the enemy invasion and intended for the purchase of supplies.

Thus, the total of the funds both capital and revenue, which the Greek Government had at its disposal from the date of its departure from Greece until the 31st August 1942 amounted to £7,567,000.— Out of these available funds, however, a sum of £1,610,000 was expended in payment of the value of supplies which though ordered by the Greek Government before the enemy occupation of the Country, fell due for payment after the Government’s departure from Greece.

Consequently, the actual amount of funds available to the Greek Government in the period up to 31st August 1942, for meeting public expenditure was £5,957,000.—

II. GREEK GOVERNMENT EXPENDITURE FROM 23 APRIL 1941 TO 31 AUGUST 1942

Against the aforementioned assets expenditure incurred by the Greek Government from the date of its departure from Greece up to 31 August 1942 amounted to a total of £3,582,000.—
It should be noted that this figure does not include expenditure of the Ministry of Marine for the period April–August 1942, nor that of the Air Ministry for the month of August, as the relative accounts have not as yet been made up.

The apportionment of the above total is as follows:

<table>
<thead>
<tr>
<th>Ministry of War</th>
<th>£1,355,100</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot; &quot; Marine</td>
<td>727,200</td>
</tr>
<tr>
<td>(up to March 1942)</td>
<td>202,400</td>
</tr>
<tr>
<td>&quot; &quot; Air</td>
<td>362,000</td>
</tr>
<tr>
<td>(up to July 1942)</td>
<td>298,300</td>
</tr>
<tr>
<td>&quot; &quot; Foreign Affairs</td>
<td>(Embassies, Legations and Consulates)</td>
</tr>
<tr>
<td>&quot; &quot; Mercantile Marine</td>
<td>(including expenditure for ships chartered to the Greek Government.)</td>
</tr>
<tr>
<td>Revictualling and Relief of Refugees</td>
<td>91,000</td>
</tr>
</tbody>
</table>

Fixed charges:
- Royal Household, Pensions etc. 104,000
- Other Administrative expenses 91,000

Total 3,582,000.

After deduction of the above figure of total expenditure from the afore-mentioned total of assets, amounting to £5,957,000 there remained a balance at the disposal of the Greek Government on the 31st August 1942 of £2,375,000. This sum will, however, be reduced by at least £500,000 when the deferred payments for account of the Ministries of Marine and Air have been effected up to the 31st August.

Thus the balance available to the Greek Government at 1st September 1942 may be reckoned at approximately £1,875,000.

III. ESTIMATES FOR THE IMMEDIATE FUTURE

A.—ESTIMATES OF EXPENDITURE

The estimate made at the beginning of the current year regarding expenditure in the financial year 1942–43 (April 1942–March 1943) had to be radically revised on account of the heavy increase in expenditure on the Fighting services. This increase is attributable to the substantial growth in the numbers of our armed forces in the Middle East. There has been, and still is a steady flow of new recruits—both officers and other ranks—to the Army, Navy and Air Force. Hence the estimates for the current financial year 1942–43 are as follows:
1 April 1942—31 March 1943.
Ministry of War £1,480,000
“ Marine 1,100,000
“ Air 360,000
“ Foreign Affairs 280,000
Fixed Charges:
(Royal Household, Pensions etc.,) 80,000
Ministry of Mercantile Marine
(including expenditure for ships chartered
to the Greek Government) 200,000
Other Administrative expenses 100,000
Total £3,600,000.

As is shown below, in the section dealing with the financial assistance afforded by the British Government, the above estimates of expenditure for account of the Armed Forces include only the cash disbursements for salaries and allowances, for which the Greek Government is liable. No expenditure for material of any kind is included therein, inasmuch as, by the Agreement referred to below, the British Government undertook to supply such material to our armed forces.

To this expenditure should be added the probable expenditure on the partial revictualling of Greece up to the limit allowed by the Great Allied Powers, as well as the necessary expenditure on relief for the refugees escaping from Greece.

The heavy financial burden of despatching foodstuffs to Greece is lightened for the Greek Government (a) by the Canadian Government’s generous gift of 15,000 tons of wheat monthly, which are allowed to be shipped to Greece, (b) by the splendid work of the Greek War Relief Association in U. S. A., a work which enjoys the moving and whole-hearted support of the American people, (c) by the liberality of the United States Government which has promised to supply on Lease-lend terms foodstuffs and other commodities the importation of which into Greece may be permitted, (d) by the support given by the British Government and British people, and (e) by the assistance forthcoming from various International Organizations, in particular the International Red Cross, Swiss Red Cross, Swedish Red Cross.

The Greek people cannot ever forget the warm-hearted support, moral and material, which it has received from these Governments and Organisations; and it will ever recall with gratitude the splendid spirit of solidarity which, at the moment of its suffering, all nations with a high standard of moral civilization showed towards it.
But, as in the past so too in the future, the Greek Government will of necessity share in the expenses of despatching foodstuffs to the Greek people. Likewise, it will bear the cost of relief for refugees escaping from Greece.

It is clearly impossible to make an exact estimate of such expenditure. Nevertheless, the experience of the past few months combined with an examination of certain obligations which have already been undertaken leads one to envisage an expenditure of not less than £1,000,000.

Thus, for the financial year 1942–43 the total of the outgoings which it is possible to foresee with any degree of certainty will probably amount to the sum of £4,600,000. Of this sum £1,880,000 have already been spent in the five months 1 April–31 August 1942 (the figure includes expenditure of the Ministries of Marine and Air entered at £500,000, the accounts of which as mentioned above, have not yet been made up). It follows, therefore, that a sum of £2,720,000 falls for expenditure in the remainder of the financial year i.e. the seven months 1 September 1942 to 31 March 1943.

B.—ESTIMATED RECEIPTS

The resources which may be anticipated to be available to the Greek Government during the same period from 1 September 1942 to 31 March 1943 are reckoned to be the following:

a) The afore-mentioned balance of earlier funds, viz. £1,875,000.

b) The proportion of taxes imposed upon Greek ships, and of the difference of freight collected for account of Public Revenue, as detailed above.

The amounts accruing in a full year are reckoned at £300,000 from taxes, and £1,500,000 from difference of freight, i.e. a total yearly revenue from these sources of £1,800,000. Hence for the period to the end of the financial year (seven months, 1/9/42–31/3/43) the proportion of revenue from these sources amounts to £1,050,000.

Consequently the total of resources at the disposal of the Greek Government up to the end of the financial year may be estimated at £2,925,000 against expenditure, as estimated above, of £2,720,000.

At the same time, it should be borne in mind that the attainment of these figures of revenue as a whole is a matter depending on the extent of the losses sustained by our Mercantile Marine. As already pointed out, taxation and difference of freight depend on the number of vessels surviving. Heavy losses would inevitably entail a reduction in revenue from this source.

On the other hand, the corresponding expenditure up to the end of the financial year has been estimated at £2,720,000. This estimate,
however, rests on the assumption that no events will occur calling for any considerable increase in expenditure, such as (to name the principal items) a growth in the numbers of our Armed Forces or in the Revictualling or Refugee Relief requirements. Yet such increases are extremely probable, and, if occurring would certainly wipe out the small margin of £200,000 between revenue and expenditure shown in the above estimates.

The conclusion to be drawn from the above is that, if the Greek Government has hitherto been able, and will, in all probability, be able, up to the end of the financial year (31.3.43) to meet expenditure, this is due to the fact that it had at its disposal the aforementioned funds from earlier credits; as appeared above, these sums totalled £4,542,000 (total of sums available up to 31 August 1942 £5,957,000 less taxes and difference of freight £1,415,000 leaving a balance of funds available, derived from earlier credits, of £4,542,000).

Unfortunately, however, by the 31 March 1943 these funds will have been wholly exhausted, as clearly emerges from the foregoing account.

Hence the estimates for the following financial year (April 1943–March 1944) will be:

Receipts: £1,800,000. (on the assumption that the losses of our merchant ships will not be such as seriously to reduce this amount)

Expenditure: certainly in excess of the figure of £4,600,000 estimated for the current financial year.

IV. FINANCIAL ASSISTANCE FROM THE BRITISH GOVERNMENT

From the very beginning of the Greco-Italian War the British Government gave the fullest measure of financial assistance to Greece. This consisted in the granting:

1) of the credits referred to on the first page of the present Report under (a) and (b).

2) of further substantial credits which the British Government had granted to the Greek Government in monthly instalments, for the purpose of meeting war expenditure within Greece. The amount of these credits totalling £35,000,000, had been wholly utilized by the Greek Government in Greece in drachmae which it acquired by the sale of the aforesaid sterling amount to the Bank of Greece.

But the financial assistance afforded by the British Government did not cease with the occupation of Greece by the enemy.

By an agreement dated the 9th March 1942 between the British and Greek Governments, “concerning the organisation and the employment of the Greek Armed Forces”, His Britannic Majesty’s Government undertook to provide all material necessary for the arming, equipment and maintenance of the Greek Armed Forces, and to make no claim on the Greek Government for reimbursement
of the cost so incurred. The Greek Government for its part undertook to return to the Government of the United Kingdom on the cessation of the hostilities in which the Greek Forces are participating such of the war material and other supplies in question as would be still under their control and as the Government of the United Kingdom may request them so to return.

As a consequence of this Agreement the Greek Government bears all expenditure for the General Administration of public affairs, and, in respect of the Fighting Services, all cash payments for salaries and allowances for the officers and other ranks of our armed forces, while the British Government bears the expenditure for all material and supplies required for the arming, equipment and maintenance of the Greek Armed Forces.

At the date of signature of this Agreement the Greek Government had envisaged neither the tremendous increase in Services expenditure arising from the growth in the numbers of our armed forces, nor the great cost of the revictualling programme.

The Greek Government hoped that the funds available at that time, together with the revenues provided by the mercantile marine, would suffice to meet the expenditure undertaken by it for a relatively long period of time, which it then estimated, somewhat optimistically, at about two years.

But expenditure, as estimated at that date, had almost doubled viz. it has increased by £2,000,000 through the growth of the armed forces and the revictualling requirements. In consequence the available funds will be exhausted during the current financial year, and the Greek Government’s assets for meeting the increased expenditure of the financial year 1st April 1943–31 March 1944, will be limited merely to the receipts from the Mercantile Marine, as detailed above.

V. Assets of the Bank of Greece

The Bank of Greece was established in the year 1928 as an independent issuing Bank, in the form of a Limited Liability Company, in fulfillment of the Geneva Protocol of 1927. This protocol embodied among other things, the programme of monetary and banking reorganization which had been worked out by the Financial Committee of the League of Nations in conjunction with the Greek Government, and which was introduced in Greece immediately thereafter. The principal measure envisaged by this programme was the creation of an autonomous Central Bank, possessing the exclusive right to issue bank-notes. The Administration, Management and Functioning of the Bank are free from State intervention.

The State has the right to inquire only into the legality of the Bank’s acts and decisions.

In the year 1932 the Bank of Greece acquired by law the exclusive right to buy and sell gold and foreign exchange.

This right could be granted to other reorganized Banks also on the recommendation of the Bank of Greece, but such Banks were obliged to hand over to the Bank of Greece any difference between purchases and sales of foreign exchange.

On the other hand, anyone exporting goods from Greece was obliged to hand over the resultant foreign exchange against the equivalent in drachmas to the Bank of Greece or to one of the above mentioned Banks, which were, in their turn, obliged to transfer it to the Bank of Greece after fulfilling their obligations.

In general, anyone importing foreign exchange into the country and wishing to obtain drachmae was obliged to sell it to the Bank of Greece, according to the above procedure.

In like manner, if the State held foreign exchange abroad and wished to obtain an equivalent amount of drachmae in Greece, it ought to sell such exchange to the Bank of Greece.

Thus the Bank of Greece was the institution which concentrated in its hands all the foreign exchange assets of the Country which the holders imported (either in order to conform with a legal obligation, or voluntarily) in order to obtain an equivalent amount of National currency.

The foreign exchange so acquired was sold by the Bank of Greece, against its equivalent in drachmae, to persons having lawful payments to make in foreign countries.

Shortly before the enemy invasion the Bank of Greece had succeeded in safeguarding the whole of its gold reserve. It was transferred, first to Crete, later to Egypt and finally to South Africa.

By virtue of a Law issued in Crete the Bank of Greece accompanied the Greek Government on the latter’s departure from Greece and establishment abroad; the Bank’s headquarters were transferred to the country in which at any given time the Greek Government would have its seat, and the Bank, of course, took control of its gold and foreign exchange assets lying outside Greece.

These assets (which have undergone only very slight alteration since that date) consist of the following items:—

a) Gold.
   In the United States of America          ozs. 191,602.
   In the Union of South Africa             "  608,360.
   Total                                    ozs. 799,962.

b) Sterling.                                 £33,000,000.

c) U. S. Dollars                            $9,336,000.

428310—62—52
The amount of the assets is higher than it would ordinarily have been in normal circumstances. It should, however, be stressed that this accumulation of foreign exchange does not result from the normal process of exchange of goods and services with foreign countries, but is due to wholly exceptional conditions. From the beginning of the present war in 1939, and more particularly, from the time of its extension to the Mediterranean the import of all kinds of goods required in Greece had been severely restricted. The control on the part of the belligerents of the production and supply of the principal commodities, the serious difficulties of sea transport, on which the provisioning of Greece depends, and the imposition of blockade by sea, which necessarily led to the control and restriction of imports even into the neutral countries of Europe, had as their result that, even while still neutral, Greece was unable to utilize her foreign assets for the purpose of satisfying the great needs of the population and the existing demand either in foodstuffs or other consumption goods or in raw materials, machinery or other production goods. Thus the Bank's assets while increased through the Greek Government's selling to it, in exchange for drachmae, a large part of the credits granted by the British Government, as mentioned above, could not be utilized for the purpose for which they were intended, and therefore accumulated at the Bank.

On the other hand, the quantities of national currency representing the equivalent of these assets remained in circulation and thus created even at that time inflationary conditions.

There is no need to point out that since the enemy occupation of the country imports of consumption or production goods necessary to the population and to the Country's economy have almost entirely ceased.

It is obvious that the protracted privations of the Greek people and the terrible destruction of the country's wealth—machinery, tools, raw materials, buildings, and, generally, every stock and every productive asset—will, at the end of the war, create an enormous demand for goods from other countries, and that it will be impossible for even a small part of this demand to be met through the exporting capacity of a ruined economy.

Consequently, on the cessation of hostilities, the Bank of Greece will be faced with the following tasks:

a) Together with the international action of assistance to the countries which have suffered from protracted enemy occupation, the Bank will have to satisfy, within limits, the purchasing power of the population by granting foreign exchange against drachmae for the purpose of providing from other countries the consumption and production goods for which there will be an enormous demand and of which the country will have been deprived.
b) By means of adequate reserves it will have to restore and safeguard the national monetary system, which together with the whole economy of the country will have been completely dislocated in the course of the country’s occupation by the enemy.

It is only in this way that the country’s economy can return to some form of normal functioning and thereby be enabled to confront the hard task of reconstruction.

Greece’s recent monetary history shows that even reserves regarded as adequate may soon be exhausted if abnormal conditions would occur. In December 1928 that is at the end of the year in which the country’s monetary and banking system was radically reorganized, the Bank of Greece’s net reserves in gold and gold exchange amounted to 66,000,000 gold dollars. This fact did not prevent these reserves from falling in April 1932 to 11,000,000 dollars, nor did it prevent the serious monetary crisis which caused the abandonment of the gold standard and a return to a paper currency.

LONDON, 15 October 1942.

The Minister of Finance
K. VARVARESSOS

Memorandum of Conversation, by the Assistant Secretary of State (Berle)

[WASHINGTON,] December 1, 1942.

The Greek Ambassador \(^7\) came in to see me, at his request.

After a little general conversation, he said that he was interested in bringing up again the problem of financial assistance to the Greek Government. He had submitted figures to NE \(^6\) and had discussed the matter with them, and he wondered how this might work out.

He said that when I had discussed this matter with him before, I had suggested that he might also consider the problem of assistance to the Greek Government in handling the Greek refugees, which were a constant drain on their finances. He wondered whether the two should be considered separately.

I said we were presently reviewing the Greek financial situation and in the event that something were worked out along that line it would presumably include the expenditures for relief. If, however, it were decided that nothing could be worked out, then we were prepared to consider separately the possibility of assistance to them for relief purposes.

A. A. B[ERLE], JR.

\(^7\) The Greek Legation was raised to the status of an Embassy on October 6, 1942.

\(^6\) Division of Near Eastern Affairs.
LEND-LEASE AGREEMENT BETWEEN THE UNITED STATES AND GREECE, SIGNED JULY 10, 1942

Memorandum of Conversation, by the Secretary of State

[WASHINGTON.] June 8, 1942.

The Greek Minister called at my request.
I handed to him the proposed Lease-Lend Agreement to be entered into between our two Governments, if mutually agreeable. I explained to the Minister that this was in substance the same as our agreement entered into with the British Government. I then added that this Government would from time to time be having purely casual exchange of information with one or more economists or qualified persons from each of the countries concerned; that for the present there would be no official conferences except with representatives of one country at a time, and that there will be no secrets about the negotiations and each government would, if it so desired, be kept informed of everything taking place with the other negotiators. The Minister seemed much interested and personally seemed to think that his Government would approve the proposal without delay.

C[ORDELL] H[ULL]

Memorandum by Mr. Charles Bunn, Special Assistant to the Under Secretary of State, to the Assistant Secretary of State (Acheson)


Mr. Acheson: Mr. Murray, Mr. George Allen, and I spoke briefly to the Greek Minister Thursday afternoon, July 2, with the following result:

(1) The text of the Lend-Lease agreement delivered by the Secretary to the Greek Minister on June 8 is acceptable.

(2) The Prime Minister will be here on July 10, and desires the signature to occur on that day. Mr. Barnes has been notified and will have the papers ready.

(3) The “financial requirements of the Greek Government” which the Minister has in mind are connected not with any payment to

77 Cimon P. Diamantopoulos.
78 Not printed.
79 Signed February 23, 1942; for text, see Department of State Executive Agreement Series No. 241, or 56 Stat. (pt. 2) 1433.
80 Wallace Murray, Adviser on Political Relations.
81 Of the Division of Near Eastern Affairs.
82 Charles M. Barnes, Chief of the Treaty Division.
be made for Lend-Lease goods, but with the needs of the Greek Government for financial assistance discussed in a memorandum which the Prime Minister has sent to the Under Secretary.88 It was explained to the Minister that under the Lend-Lease Act, the President has authority to make available goods, services, or information, but not money, and that therefore any discussion of these financial requirements must be outside the orbit of Lend-Lease. The Minister indicated again that the Prime Minister will wish to discuss these financial requirements when he comes.

CHARLES BUNN

868.24/161

Memorandum by the Chief of the Division of Near Eastern Affairs (Alling) 84

[WASHINGTON,] July 3, 1942.

The Greek Prime Minister will return to Washington on July 9, and desires to sign the master Lend-Lease Agreement the following day. We are informed by TA 85 and TD 86 that those Divisions know of no reason why the ceremony should not take place at that time.

If you approve, we shall request the Treaty Division to have the document ready for signature on the morning of July 10.87

PAUL H. ALLING

FORMATION OF SEPARATE BATTALIONS OF GREEK SUBJECTS IN THE UNITED STATES ARMY

868.00/1145

The Greek Minister (Diamantopoulos) to the Chief of the Division of Near Eastern Affairs (Murray)

WASHINGTON, January 8, 1942.

DEAR MR. MURRAY: From certain Greek quarters anxious to show loyalty and devotion to the United States in their war effort, and their willingness to make any sacrifice for the common cause, I have been asked to inquire if the formations of Greek volunteer units will be agreeable to the United States Military Authorities.

86 Dated June 15, p. 798.
87 Addressed to the Secretary of State who marked it “OK”, and to the Under Secretary of State who noted on the margin: “Yes—the President is in accord.”
88 Division of Commercial Policy and Agreements.
89 Treaty Division.
90 Agreement signed July 10, 1942. For text, see Executive Agreement Series No. 290, or 56 Stat. (pt. 2) 1559. For joint statement by President Roosevelt and the King of Greece, see Department of State Bulletin, July 11, 1942, p. 601; for press release issued by the Department July 10, including text of agreement, see ibid.
I should be much obliged, my dear Mr. Murray, if you kindly informed me accordingly.

With my kind personal regards,

Sincerely yours,

C. DIAMANTOPOULOS

Memorandum by the Assistant Chief of the Division of European Affairs (Hickerson)

[WASHINGTON,] January 18, 1942.

After extensive conversations between officials of the Department of State and officials of the Selective Service Administration, the following has been tentatively agreed upon (subject to official approval by the Selective Service Administration, the Department of State and, where necessary, the War Department) as the policy to be followed by the Government of the United States in regard to the status in the United States of nationals of those countries at war with the Axis Powers in respect to our draft law; and the enlistment in certain cases in the armed forces of their respective countries of these nationals:

The United States Selective Training and Service Act of 1940, as amended, provides that every male citizen of the United States and every male residing in the United States, between the ages of 18 and 65 shall register. Certain special groups such as officials of foreign governments who are not American citizens and active members of foreign armed forces are exempt from registration. The Act, as amended, provides further that registrants between the ages of 20 and 44 are liable for active military service in the United States armed forces.

The Act, as amended, provides special treatment for nationals of neutral countries and enemy aliens. This memorandum therefore, as pointed out above, deals solely with aliens who are nationals of countries at war with the Axis Powers. As it is recognized that from the standpoint of morale some special action would appear to be desirable with respect to these aliens, the Selective Service Administration is prepared to allow such aliens who have not declared an intention of becoming an American citizen to indicate whether they desire to enlist voluntarily in the forces of their own country prior to their induction into the military forces of the United States. Provided the United States War Department informs the Selective Service Administration that the alien’s country has adequate training facilities, the Selective Service Administration will pass on to

88 Approved September 16, 1940; 54 Stat. 885.
representatives of the alien's country in the United States the names of those aliens who indicate preference to serve in the forces of that country. It will then be open to the authorities of the country to enlist such an alien in their armed forces. If such enlistment takes place, the representative of the country in question will inform the Selective Service Administration and the latter will grant deferment to the alien under the United States draft law for so long as he continues to serve in the foreign force. If the alien in question does not enlist in the forces of his own country he will, of course, be drafted in the regular manner into the armed forces of the United States.

The foregoing régime will be subject to the following conditions:

1. That the representative in the United States of the foreign government in question accept the engagement that no threat or compulsion of any nature will be exercised by that government to induce an alien in the United States to enlist in the forces of the foreign government.

2. That any foreign government participating in the scheme should give this Government an assurance of reciprocal treatment within its own territory as regards American citizens being permitted to enlist in the forces of the United States.

3. That the foreign governments participating will give an undertaking not to accept enlistments from American citizens subject to registration nor from aliens of any nationality who have declared their intention of becoming American citizens and are subject to registration.

868.2222/4

The Greek Prime Minister (Tsouderos) to the Under Secretary of State (Welles)

WASHINGTON, June 16, 1942.

My Dear Mr. Welles: Relative to the question of mobilization of Greek subjects in America about which I had the honor to speak to you last evening, I enclose herewith a brief notation wherein I explain our plan on the subject.

I deemed it appropriate to send also the attached note concerning the financial problem which is now being anxiously considered by my colleague the Minister of Finance.

I hope that before our departure from America I shall have the honor to greet you personally and to express to you once more our deepest gratitude for the very cordial reception which was accorded to us by all and especially by the United States Government.

Yours very sincerely,

EM. J. TSOUDEROS

88 Ante, p. 798.
Memorandum by the Greek Prime Minister (Tsouderos) Concerning the Drafting of Greek Subjects

The Greek subjects in the United States amount to one hundred thousand. The drafting of these men for our Army in the Middle East presents difficulties due to the distance and the consequent problem of transporting them then becomes dangerous and expensive.

We are hoping that we shall be permitted to draft these Greeks in America and to concentrate and train them here in groups in American army centers under American officers together with Greek officers of lower rank.

These Greek troops could be incorporated into larger American units as this is being done in the Middle East where Greek brigades are incorporated into British divisions. The armament, equipment and maintenance of these troops in the Middle East is borne by the British under a system similar to the Lease-Lend.

If the above suggestions were accepted, the drafting of Greek subjects could be extended to South America also, whence it would be convenient to transport the recruits to serve in the Greek regiments in this country.

WASHINGTON, June 15, 1942.

868.2222/5

The Under Secretary of State (Welles) to President Roosevelt

WASHINGTON, July 7, 1942.

My Dear Mr. President: As you are aware, the Greek Government is anxious to obtain our consent for the recruitment of a considerable number of the Greek subjects in the United States for military service. The Greek authorities envisage, I believe, the creation of a rather sizable command from among the approximately 80,000 Greek subjects (men, women and children) in this country.

We have referred the matter to the War Department, and have been informed that while the War Department does not concur in the proposal of the Prime Minister of Greece that a great number of Greek subjects be drafted for organization into large separate units, the War Department will give favorable consideration to the recruitment of a limited number of separate battalions of Greeks to be assigned, when fully trained, to the various divisions of the United States Army.

A copy of this memorandum was handed to President Roosevelt by King George II on June 26; see bracketed note, p. 797.
A separate battalion of Norwegians is already being organized in the United States Army. I believe that separate battalions of certain of the foreign-language residents of the United States, including the Greeks, may be useful for psychological warfare purposes and for strictly military purposes in the event of active military operations in specific areas. I think it should be clearly understood, however, that they are regular units of the United States Army, serving under the American flag, and liable for service in any area where the American Army may be called upon to operate.

If you concur,\textsuperscript{21} we shall be glad to hand to the Greek Prime Minister the attached memorandum on his return to Washington on July 10, 1942 for the purpose of signing the Lend-Lease Agreement.

Faithfully yours,

SUMNER WELLES

[Enclosure]

\textit{Draft Memorandum}

The United States military authorities have been consulted with regard to the proposal contained in Mr. Tsouderos' memorandum of June 15, 1942 regarding the drafting of Greek subjects residing in the United States.

According to this proposal, the Greek troops would be trained in groups in United States Army centers, under the direction of American officers and of Greek officers of lower rank, for subsequent incorporation into larger American units, similar to the manner in which Greek brigades serving in the Middle East are incorporated into British divisions.

While the War Department is not able to concur in the proposal of the Greek Prime Minister that a great number of Greek subjects in the United States be drafted for organization into large separate units, it will give favorable consideration to the recruitment of a limited number of separate battalions of Greeks to be assigned, when fully trained, to the various divisions of the American Army.

It should be pointed out, to avoid any misunderstanding, that the separate battalions of Greek subjects would constitute regular units of the United States Army and would be liable for service, in case of necessity, in any area where the American Army may be called upon to operate.

\textsuperscript{21}President Roosevelt indicated his approval on July 8 by a marginal note on the original.
The Under Secretary of State (Welles) to the Greek Minister (Diamantopoulos)

WASHINGTON, July 13, 1942.

MY DEAR MR. MINISTER: I regretted exceedingly not having been able to receive the Prime Minister on Thursday last as I had hoped to do. Mr. Berle informs me that he believes the Prime Minister has now left the United States and I am more than sorry that for that reason I shall not have the chance of talking with him again during his present visit to this country.

As you will remember, the Prime Minister sent to me a memorandum regarding recruitment of Greek subjects in the United States for military service. This memorandum has had the most attentive study by the military authorities of the United States and by the Department of State. I am enclosing herewith a memorandum which is in the nature of a reply to the memorandum sent to me by the Prime Minister and I shall ask your kindness in seeing that this memorandum is transmitted to him. I may add that the reply of this Government as set forth in the memorandum enclosed herewith has been approved by the President.

With my kind regards, believe me

Yours very sincerely,

SUMNER WELLES

The Greek Ambassador (Diamantopoulos) to the Acting Secretary of State

No. 2635

WASHINGTON, October 19, 1942.

MR. SECRETARY: Referring to your Excellency’s letter dated July 13, and to the memorandum attached thereto concerning the formation of separate battalions of Greeks to be assigned to the various divisions of the American Army, I beg to enclose herewith an outline of the conclusions reached by Colonel F. W. Evans, General Staff, Chief, Mobilization–Organization Branch, and by Colonel Demetrios Xenos of the Greek Army, and to make a formal application for final decision from the War Department, these conclusions having been agreed to by the Greek Government.

Accept [etc.]

C. DIAMANTOPOULOS

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82. Adolf A. Berle, Jr., Assistant Secretary of State.

93 Not attached to file copy; see draft memorandum as submitted to President Roosevelt July 7, supra.

94 The Greek Legation was raised to the status of an Embassy on October 6, 1942.
Memorandum by the Greek Embassy

1. The drafting of Greek Citizens in the United States will take place on the same basis as drafting of Americans. Voluntary enlistment is preferred.

2. At the beginning one Infantry Battalion will be formed.

3. The United States uniform, with a special badge or insignia indicating the Greek character of the unit, will be worn.

4. Officers of the Unit. Officers of the United States Army who are of Greek origin and are already serving in the United States Army or are to be chosen from the unit being formed. A number of officers of the Greek Army may be accepted on condition of their incorporation with the United States Army officers.

5. If a second or a third battalion has to be formed, all three battalions will form an infantry regiment.

6. If a further number of recruits are available the formation of an artillery unit is not excluded.

7. The nucleus of the first battalion will be composed of Greek-American citizens who speak Greek.

8. In case the number of the Greek recruits is not sufficient for the formation of the first battalion, it will be filled up by American citizens speaking Greek who expressed the desire to serve in the Greek unit.

9. The entire expense for matériel and maintenance of the above formations to be borne by the American Government.

10. Men enlisted in these battalions will have all the rights enjoyed by those serving in other American units.

The Secretary of State to the Greek Ambassador (Diamantopoulos)

WASHINGTON, December 12, 1942.

EXCELLENCY: I have the honor to refer to my note of October 30, 1942, regarding the formation of separate battalions of Greek subjects in the Army of the United States.

There is quoted below the text of a communication on this subject which has been received from the War Department:

"The War Department is initiating action to form an Infantry Battalion with Greek Nationals at an early date. Announcement of

868.2222/10

Not printed.
this action will be made to the public at the Secretary of War’s next press conference.”

Accept [etc.]

For the Secretary of State:

SUMNER WELLES

REPRESENTATIONS BY THE GREEK GOVERNMENT RESPECTING POST-WAR FRONTIERS OF GREECE

740.00119 European War 1939/1042

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] June 12, 1942.

The Prime Minister 97 and the Minister of Greece 98 called and handed me some documents (copies attached 99) relative to the views and attitude of Greece with respect to certain problems which appropriately would come up at the end of the war. I thanked him and said that I would receive them solely as information at present and not from the standpoint of giving consideration to them at this time.

C[ORDELL] H[ULL]

740.00119 European War 1939/1042

Memorandum by the Greek Prime Minister (Tsouderos) 1

MEMORANDUM

1. The Greek Government is confident that the United States of America, which has already manifested so much sympathy toward the struggling Greek Nation, will, together with its ally, Great Britain, give to it all possible assistance when the time comes for the reestablishment of an enduring and just peace.

2. The recognition of our rights would constitute the most concrete encouragement in the hard struggle against oppression and hunger which the Greek people are today waging with such fortitude and daring. The Greek, naturally sensitive, is ready to endure everything to support the ideology of the Allies, knowing that his sacrifices will ultimately benefit his country as well.

Enemy propaganda anticipating this psychology, is endeavoring, with its usual sinister lying, to discourage the Nation, by giving

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96 Announcement was made by the War Department on December 12, 1942.
97 Emmanuel J. Tsouderos.
98 Cimon P. Diamantopoulos.
99 The memorandum infra, and its attachments (not printed).
1 Handed to the Secretary of State on June 12; see supra. A copy of this memorandum was handed to President Roosevelt by King George II on June 28; see bracketed note, p. 797.
currency to and advocating the idea that our great Allies in the hour of victory will look only to their own interests and that by imputing responsibility for Bulgaria’s Acts only to its rulers, our powerful friends will favor Bulgaria.

3. The national claims of Greece are clearly outlined by experience and the teachings of recent history. What Greece desires more than anything else is to be assured that in a moment of international confusion, it will not again become the victim of aggression from the North. Four times during the last thirty years Greece sustained wholly unprovoked similar attacks: in 1913, in 1916, in 1940 and in 1941. The Greek people would regard it as the most flagrant injustice against them if in the negotiations for peace these harsh precedents were not taken into account.

4. The establishment of a post war collective security and the realization of the Balkan Union to which Greece has been a faithful adherent ever since 1912 will undoubtedly make more effective than was heretofore possible the opposition against the greedy aspirations of successive invaders. However, no matter what form this collective security shall take, it becomes clearly necessary that those nations which are exposed to attack, as is Greece, be strengthened in the best possible manner against aggression so that in the event of an unprovoked attack against them they will be able sufficiently to protract their own defense, until effective aid can reach them, thus too, alleviating the task of international assistance. It is known that the situation created in the Balkans in April, 1941 would have been entirely different if geographical conditions at the Greek-Serbian-Bulgarian front did not enable the enemy, easily and within a very short time to prevent contact between the Greek and Jugoslav armies.

5. Consequently it is indispensable that in the realignment of boundaries in the Balkan Peninsula these needs be taken into consideration. The extension of the Greek boundaries in the Northeast to the Rhodope Mountains and in the Northwest to the Adriatic, and a comparable readjustment of the Jugoslav boundaries, would materially assist Greece and Jugoslavia against any Balkan assault. It is clear that the strengthening of the Greco-Jugoslav Combination which always and in the nature of things, was steadfastly attached to the Allied democratic nations in all international crises will redound to the benefit of these Powers and will greatly lighten their strategic and political problems in Northeastern Europe.

6. Fortunately the territories to be affected by these suggested changes are very recent additions to the Nations of which they are now a part, having been appended to them since the Balkan Wars. This annexation was at best made at the expense of the principles
of nationality and the security of peace. The ethnological composition of those sections even today, notwithstanding the ad interim intentional and forced changes made by their present masters, is not such as to constitute a barrier to the proposed readjustment in the interest of Balkan Peace, especially as the extent of the territory involved is insignificant.

7. It is necessary moreover to note that such a readjustment is dictated by important considerations of political expediency. The nations which have provoked the present calamity and those which have aided and abetted it out of a disposition to plunder and pillage, must suffer the consequences of their conduct. Only thus can they be made careful in the event of similar circumstances arising in the future. On the contrary if those nations under the guise that they have been misled by the unwise counsel of their leaders, be placed in the same category with their victims, a bad precedent will be established for all and the wrongdoers of today would be encouraged to disregard their international obligations again, at the expense of their neighbors. A thorough and impartial investigation will reveal that the people of these nations cannot be absolved from responsibility, and the imputation of culpability solely to the leaders is untenable. Their rulers represent the national will which has always been dictated by a violent nationalism and which since 1912 has repeatedly manifested itself to disturb the peace of the Illyrian Peninsula. If the opposite were true the people would surely find ways of protesting against and opposing from the beginning and during the war the policies of Germany.

II

8. In addition to the realignment of boundaries above mentioned, the questions which more directly concern the Greeks, and which we respectfully submit for your favorable consideration are:

- The question of N. Epirus,
- That of the Dodecanese,
- That of Cyprus, and
- That of the economic stability of Greece so that it may not after the war suffer a serious crisis either because of over population or because of inadequate production.

9. With reference to N. Epirus and the Dodecanese there is a detailed discussion in the introduction (signed by me) contained in the Greek White Book, published in London last month, about an Italian attack. We attach hereto two relative notes and a pertinent excerpt from this introduction. The analysis of those questions indicates clearly that both Epirus and the Dodecanese are

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*Attachments not printed.
Greek provinces, occupied by the enemy for almost 22 years, without right whatever. Consequently the matter relates to Greek territories just as for a year now the mainland of Greece has been occupied and oppressed by three enemies. There is nothing therefore to justify the enemy in continuing that occupation. In addition to our old claims to these provinces, our rights to them have been recognized by a series of international acts dating between 1914 and 1920, which remain unexecuted because of the violence and the stealth of the Italians.

III

10. The question of Cyprus of course is different. It does not concern a demand arising out of the war and one might say that mention of it in this memorandum could be omitted. However, as our object is to submit a full and complete picture of Greek desires and aspirations for the information of the American Government we deemed it proper to include it. Moreover when the time comes, this question could well be settled directly between us and Great Britain, which has knowledge of it. This island is occupied and progressing under the guidance of a friendly nation, just as was the case with the Ionian Islands, whose return to Greece has been the cause of our profound gratitude toward Great Britain. The latter in 1915 offered to return Cyprus to Greece on condition that Greece abandon its neutrality and side with the Allies. Greece then did not accept that condition. However, since that time twice has she abandoned her neutrality, without imposing any conditions, and with all the means at its disposal fought on the side of the Allies for the same cause and against the same enemies. When peace was made in the last great war there was signed between us and Italy a separate agreement about the Dodecanese 2a where mention is made about the concurrent return to Greece of Cyprus and Rhodes.

Five-sixths of the population of Cyprus, ethnically as well as in religion and language are Greeks. That one-sixth of the population is Turkish is no reason why the five-sixths of the Cyprians should not be permitted to enjoy the right of self-determination, which has been vouchsafed to the peoples.

The history of the last two great wars has shown that the strategic importance of that island is much less significant than is the naval and geographic location of the whole of Greece in the Eastern Mediterranean. During the last two world wars, Greece voluntarily offered to and did play its proper part which history and the geographical position of the country dictated. Consequently the union of all the islands with Greece, whose Greek character is clear from every point of view and cannot be questioned,

did give Greece great power and did engender the obligation that it continue the same policy in the future by the side of the Allies. Moreover, this matter can be adjusted by special agreement.

IV

11. The economic stability of Greece is constantly precarious due to the mountainous composition of its soil and the consequent inadequacy of production. Notwithstanding the industriousness of its inhabitants, production is not sufficient to meet the needs of the country. Moreover, the effort of the people to raise sufficient wheat is constantly thwarted by the persistent increase in population, the birth rate in time of peace substantially exceeding the death rate.

Thus the population problem facing Greece is one of the most serious facing any European country, and the continued increase in population will in the near future create a difficult situation if adequate measures are not now adopted for its proper solution.

Of course, if Eastern Thrace, which due to its Hellenic character, had been awarded to Greece by the Treaty of Sèvres, had remained a part of Greece, then such a problem for us would not exist today owing to its wheat production. Hence Greece, in the peace that is to come, must secure its economic stability in order to escape in the near future complete economic suffocation and the social and political incongruities arising therefrom. Consequently the question of emigration of the surplus population must occupy the attention of the government equally with other national problems.

The present government does not demand colonies for the solution of this problem. Nevertheless it seems that some countries sparsely populated must be designated as places where the right of emigration shall be open and that this right be accorded as well to the Greeks whose emigration could serve no political purpose. One of those provinces is Cyrenaica, which as it appears from the map, faces Greece and where in the past flourished prosperous communities. Moreover, the problem of emigration of nations which have a surplus population to countries which are under populated does not concern Greece alone. The stabilization of peace will depend in a large measure from the careful and just solution of this problem too, generally considered. The Allies must win not only the war, but the peace also.

V

12. Continuing what has been stated in the preceding paragraph relative to the economic stability of Greece, its government is deeply

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anxious as to how it shall face the complicated situation of economic ruin which immediately after the war will prevail in Greece. All its prewar economic structure will have deteriorated if it is not completely destroyed due to the war and from the intensive and long usage of all the means of production and communication. Thus put, the whole problem along with the urgent question of food replenishment of the country which is suffering from starvation, presents a truly gigantic problem, especially in view of its limited products and, in general, means of exchange. Only by the cooperation of our great companions-in-arms will it be possible for this problem to be solved in time with the establishment of peace.

Greece is a country which can serve as a center of enterprises with Northern Europe as its field of activities through which it would be possible to find speedily and soundly the necessary capital in order to make available in Greece economic reorganization and the indispensable imports for the adjustment of its various obligations.

WASHINGTON, June 12, 1942.

E[MMANUEL] J. T[SOUDEROS]

875.01/459

The Greek Embassy to the Department of State

MEMORANDUM

In connection with the recent statement made by the Secretary of State concerning the restoration of a free Albania, the Greek Ambassador has been instructed to draw the kind attention of the United States Government to the following:

1. Greece, herself a victim of aggression and imbued by the ideals of the United Nations, cannot in principle object to the restoration of the independence of purely Albanian territories, but she is convinced that this restoration will be realized in a manner safeguarding her own vital and legitimate rights.

2. The Greek Government, moreover, feel that it is their duty to point out that this statement, made at this moment could create a painful impression upon the Greek people.

The Greek nation, enduring unspeakable suffering under the Axis yoke, will be at a loss to understand a step in the direction of the restoration of Albania, without a clear simultaneous recognition of their own rights in the districts of Northern Epirus, as set forth in the memorandum addressed on the 12th of June 1942 to the Secretary of State by the Prime Minister of Greece.

* Statement released to the press December 10, Department of State Bulletin, December 12, 1942, p. 998.
Such a disregard of this side of the question could undermine the morale of the fighting Greek people. Consequently the benefit which the Allies think they may obtain with the eventual assistance of a section of the Albanians would be incomparably less than the advantages to be derived by encouraging the fighting Greek people. Such an encouragement will obviously bolster the Greek resistance.

For historical and geographical reasons and for reasons of justice and security already embodied in international Acts and because there the Greek army won brilliant victories at the cost of much Greek blood, Northern Epirus belongs to Greece. And even though our Great Allies deem it proper to consider territorial questions at the end of the war, the Greek Government looks forward with hope that the United States Government would be willing to give now a formal assurance that in due time it will grant its full and precious support to the Greek rights. The question of Northern Epirus is so vital for the nation that the Greek Government feel compelled to declare categorically that the Greek people will be, more than ever, unable to acquiesce in any agreement disregarding their rights.

WASHINGTON, December 21, 1942.

875.01/459

Memorandum of Conversation, by the Under Secretary of State (Welles)

[WASHINGTON,] December 21, 1942.

The Ambassador of Greece called to see me this morning at his request. The Ambassador said that he was instructed by his Government to read to me the statement comprised in the memorandum attached herewith.  

After the Ambassador had finished reading the memorandum, I stated to him that I was frankly surprised by the message which the Ambassador had communicated to me since all that the Secretary of State had said with regard to Albania was exactly what this Government had stated previously with regard to Greece and many other occupied countries, namely, that one of the objectives for which this country, with the other United Nations, was fighting was the restoration of the liberty and independence of the occupied countries, and that, inasmuch as the Secretary of State in his statement to which reference was made had made no reference whatever to territorial frontiers, I could see no valid reason why the Greek  

* Supra.
Government should now request that the Government of the United States make some statement with regard to Greek territorial frontiers.

The Ambassador asked if this Government could not make some confidential communication to the Greek Government along the lines of the assurances requested in the memorandum. He also asked whether the Government of the United States would not be willing to make the same reservations with regard to Albania's future frontiers as those contained in the recent statement made in the House of Commons by the British Foreign Secretary.\(^5\)

I replied that, with regard to point No. 1, this Government had not and would not make any secret commitments with regard to territorial changes to any other country; that if this Government had any views to express concerning its policy regarding territorial adjustments, these views would be made public, but that, as the Ambassador had already been several times informed, the President believed that none of the United Nations should make any final decision with regard to territorial readjustments until the end of the war.

With regard to the specific suggestion made by the Ambassador, namely, that the Government of the United States acquiesce in the reservations concerning Albania's northern [southern?] frontier made by the British Foreign Secretary, I said that this was a matter to which I would have to give consideration and that I would make some reply subsequently with regard thereto to the Ambassador.

S[UMNER] W[ELLES]

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SYMPATHETIC CONSIDERATION BY THE UNITED STATES OF GREEK PLEAS FOR LENIENT TREATMENT FOR PERSONS OF GREEK RACE FROM THE DODECANESE ISLANDS

740.00115 European War 1939/1940

The Greek Minister (Diamantopoulos) to the Secretary of State

No. 3673 WASHINGTON, December 18, 1941.

EXCELLENCY: As the Department of State is aware a number of Greeks from the Islands of the Dodecanese entered the United States as Italian subjects. Today, after the declaration of war against Italy, these not only are considered by the American authorities as Italian citizens but they are dismissed from their employment where they had been engaged and have to endure many annoyances due to the fact that they are considered as enemy subjects.

Anticipating such a situation, the Greek Government has authorized this Legation since last June to provide the above people with any certificates or identification papers which might be of some help to them in the present circumstances.

Since this Legation know that the true feelings of these persons are strongly anti-Italian, I should highly appreciate if Your Excellency approve of such a course and recommend to the proper authorities to treat these unfortunate persons as leniently as possible.

Accept [etc.]

C. DIAMANTOPOULOS

740.00115 European War 1939/1630

The Secretary of State to the Greek Minister (Diamantopoulos)

WASHINGTON, January 15, 1942.

SIR: I have the honor to acknowledge the receipt of your note no. 3673 of December 18, 1941, stating that numerous persons of Greek race from the Dodecanese Islands have entered the United States as Italian subjects and requesting the Department’s approval of the Legation’s practice of issuing identification papers to them with a view to obtaining for them the most lenient treatment possible under the laws and regulations applying to enemy aliens in the United States.

I shall be pleased to inform the Secretary of War and the Attorney General concerning the status of such persons of Greek race and to request that your wishes with respect to them be given sympathetic consideration.

The Department would not wish to express approval or disapproval of the actions of a foreign mission at Washington in issuing identifying documents to persons considered by the mission to be entitled to them. It is the Department’s understanding, in the present instance, that such documents would be intended and so worded as to indicate only the Greek race and sympathies of the persons to whom the Legation would issue them, and that they would contain no statement that might be construed as bestowing Greek nationality upon persons not already Greek subjects. The Department also assumes that no such document would be issued to a person entitled to claim American nationality.

Accept [etc.] For the Secretary of State:

BRECKINRIDGE LONG
UNWILLINGNESS OF THE DEPARTMENT OF STATE TO COMPLY WITH GREEK REQUEST THAT THE DEPARTMENT VERIFY CERTAIN FACTS IN A COURT ACTION BETWEEN PRIVATE PARTIES

S68.85/118

The Greek Minister (Diamantopoulos) to the Secretary of State

WASHINGTON, July 13, 1942.

EXCELLENCY: The above named action⁶ has been brought by Nicholas S. Coumantaros, a Greek citizen, owner of the Greek steamship Ekaterini Coumantaros, for the return of certain war risk insurance premiums against a group of underwriters. The prosecution of the action is conditioned upon Mr. Coumantaros’ satisfying the court that the Ekaterini Coumantaros was requisitioned by and transferred to the use of the Greek Government.

In that connection there is attached hereto a certificate⁷ of His Excellency, Ch. Simopoulos, Greek Minister in London and Chairman of the Greek Shipping Committee, certifying that the Ekaterini Coumantaros was requisitioned by the Greek Shipping Committee in London on November 22, 1940 and that the vessel was put at the disposal of and delivered to the Greek Government at Moji, Japan on the 26th of November, 1940. This is to certify that the attached certificate, dated June 28, 1941, bears the signature and seal of the Greek Minister in London, who at all times referred to was Chairman of the Greek Shipping Committee, and that said Committee, under the Greek Law, had authority to order the requisitioning of the Ekaterini Coumantaros and that said vessel was so requisitioned at the time and place stated.

The requisitioning of the Ekaterini Coumantaros was a compulsory act of the Greek Government made under Law 4442, published in the issue of the 8th September, 1929, Part I, Sheet No. 339, of the Official Gazette, compulsory Law No. 2906, dated 28th October, 1940.

During the period the Ekaterini Coumantaros was under requisition until noon April 7, 1942, the Greek Government undertook to pay to the owner a monthly hire on agreed scale basis per deadweight ton per month, and undertook to cover the insurance of the vessel against war risks; to provide the bunkers; to pay port and other expenses, and the owners were charged for the crew’s wages, the insurance of the vessel against marine risks and ship repairs.

It will be appreciated if you will request the Attorney General to instruct the appropriate United States Attorney to appear in the above named proceedings, involving this vessel, in the United

⁷Certificate returned; no copy found in Department files.
States District Court for the Eastern District of New York, with the suggestion that the statements of fact contained in this note, with enclosure, are true.

Accept [etc.]  

C. DIAMANTOPOULOS

868.85/118

The Secretary of State to the Greek Minister (Diamantopoulos)

WASHINGTON, July 31, 1942.

Sir: I have the honor to acknowledge the receipt of your note of July 13, 1942 in regard to the case of Nicholas S. Coumantaros v. Universal Insurance Company, et al, which you state involves an action brought by Nicholas S. Coumantaros, a Greek citizen, owner of the Greek steamship Ekaterini Coumantaros, against a group of underwriters for the return of certain war risk insurance premiums.

You request, in order that Mr. Coumantaros may satisfy the Court that this vessel was requisitioned by and transferred to the use of the Greek Government, that I ask the Attorney General to instruct the appropriate United States Attorney to appear in the proceedings in question in the United States District Court for the Eastern District of New York with the suggestion that the statements of fact contained in your note, with its enclosure, are true.

Since the action is one between private parties, I am not in a position to comply with your request.

Accept [etc.]  

For the Secretary of State:

BRECKINRIDGE LONG