

Just look at it

Wed 1/21/48

about 5:45

Dr S

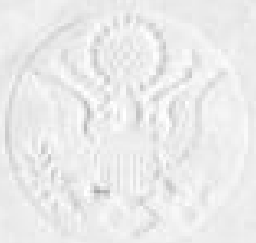
when it comes
Mr Walter Wilds, State 2572 or 735,
phoned (do not find him listed in Cong
Dir)

"I want to let Dr S know that tomorrow
(Thurs) morning we will send over a letter
to Dr S which will deal with requirements
in Greece for steel from US sources -
what it boils down to is a request that
he telephone from his level 1 or 2 or 3
leaders of steel . .& explain the urgency
of the requirement & ask them if they will
expedite. .in order to save the critical
situation in Greece that has arisen
because of delays" etc (he said the letter
will be self-explanatory)

L

x20

CC: HB (letter to come by messenger to
East Wing)



THE UNDER SECRETARY OF STATE
WASHINGTON

State
FILED BY
DR. STEELMAN
1/22/48

426
Greece Turkey
January 22, 1948

My dear Dr. Steelman:

We have been urgently requested by the Chief of the American Mission for Aid to Greece to secure delivery before February 15, 1948 of the following Greek steel requirements:

x 206
x 206-E

x 342

(1) The entire 4,153 tons of steel products covered by export preference certificate AR-2-131 which was issued on December 3, 1947. This preference certificate was issued to cover a portion of fourth quarter 1947 requirements certified to the Secretary of Commerce in a letter from the Acting Secretary of State dated December 2.

(2) A minimum of 10,000 tons of billets, wire rods, strip, thin sheets, black plates for ship repair, and drum sheets for olive oil. These items will be covered by export preference certificates about to be issued pursuant to a certification contained in a letter from the Acting Secretary of State to the Secretary of Commerce dated December 24. These certificates will cover an additional portion of the fourth quarter requirements and a portion of first quarter 1948 requirements. The above-mentioned minimum of 10,000 tons thus represents partial deliveries under the forthcoming certificates considered necessary by February 15, 1948. The industry has already been advised informally of the quantities involved under these certificates.

I believe that intervention at your level with the leaders of the steel industry will be essential to bring about the re-scheduling of mill production necessary to permit the delivery before February 15 of these most essential Greek requirements. The industry people have

been

The Honorable
John R. Steelman,
The Assistant to the President,
The White House.

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been very cooperative, but this is an abnormal demand upon their facilities. I most urgently solicit your assistance in this matter.

The Chief of Mission has cabled that failure to make the above deliveries by February 15 may jeopardize the entire Aid Program by undermining Greek confidence in the ability of the American Mission and the Foreign Trade Administration to perform promised undertakings in a matter vital to the basic Greek economy, and has requested that he be furnished immediately complete references to production and shipping schedules on the foregoing as well as on the balance of fourth quarter 1947 and first quarter 1948 requirements as certified in the two letters of the Acting Secretary of State mentioned above. He wishes this information to release to the press in order to combat current pressures within the Greek Parliament which are operating to upset the basic decisions of the Mission with respect to the general program of imports for Greece.

The bulk of the orders under (1) above have been placed with United States Steel Export Corporation, Bethlehem Steel Company, and Republic Steel Company, and presumably, in view of their relative importance in the industry, these same firms will receive the bulk of the orders under the forthcoming export preference certificates to be issued as described in (2) above. Mr. Benjamin Fairless, Mr. Eugene Grace, and Mr. Tom Girdler are the three principal figures with whom I hope you will discuss this problem.

I enclose copies of the two letters of certification, dated December 2 and December 24, 1947, which are mentioned above, and am also sending copies of this letter with its enclosures to Mr. Bruce, Assistant Secretary of Commerce, and to Mr. Mack, Director of the Bureau of Federal Supply, for their information.

I shall be very grateful for your help in this extremely urgent matter.

Sincerely yours,

Walter Wilds

Walter Wilds
Acting Coordinator for Aid
to Greece and Turkey

Enclosures:

1. To Mr. Harriman,
December 2, 1947.
2. To Mr. Harriman,
December 24, 1947.

Est. 2572

C
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December 2, 1947

In reply refer to
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My dear Mr. Secretary:


The Department of State has received several communications from the American Mission for Aid to Greece concerning its urgent need for supplies of steel mill products for use in connection with its important work in Greece.

Normally supplies of steel for Greece come from European sources, such as Belgium, Luxembourg, England and Sweden. The Mission states that recent price quotations from European countries are exorbitant and that it has been necessary, therefore, to deny applications for import licenses from these sources. It requests that procurement and export of this steel from the United States be arranged.

The need for the steel is urgent and immediate. It is estimated that eighty per cent of the heavy industry in Greece will be forced to shut down unless the steel can be landed in Greece promptly. The total required is 3,776 metric tons of various mill products as detailed in the attached memorandum, dated November 17, 1947, a copy of which has been sent to the Office of International Trade. This total does not include the tonnage for pig iron (1100 tons) and ferro manganese (40 tons), products for which procurement from other sources is being arranged.

I

The Honorable
W. Averell Harriman,
Secretary of Commerce.



I herewith certify that the prompt procurement and export of the steel items (except pig iron and ferro manganese) in the quantities listed in the attached telegram from Athens, No. AMAG 460 of November 12, 1947 and clarified in the above-mentioned memorandum dated November 17, 1947, are of high public importance and essential to the carrying out of the foreign policy of the United States. This request, therefore, qualifies for your consideration for export preference assistance under paragraph b(ii) of Allocations Regulation 2. I strongly recommend your favorable action on this request.

Sincerely yours,

Acting Secretary

Enclosures:

Memorandum
November 17, 1947

Telegram
AMAG 460, November 12, 1947.

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December 24, 1947

In reply refer to
U/GT

My dear Mr. Secretary:

On December 2, 1947 the Department of State certified to you a portion of the fourth quarter requirement of steel for Greece, 3,776 metric tons, on which your office took favorable action on December 4.

At that time there were pending further requirements, which we delayed certifying pending additional justification of need. It has been developed that, in the opinion of the Chief of the American Mission for Aid to Greece, unless these further requirements are met, a major unemployment problem and economic dislocation will result, which will, in effect, undermine the entire civilian aid effort of the American Mission. The Chief of Mission further states that, if the total fourth quarter requirement of 19,000 tons were secured from the European markets as was originally contemplated, the additional cost would be between \$1,500,000 and \$2,000,000. The limitations on aid funds and the Greek shortage of foreign exchange render this cost prohibitive.

In view of all the factors entering into this unusual requirement I hereby certify that it is of high public importance and essential to carrying out of the foreign policy of the United States to procure and export promptly such portion of the quantities of the steel items (except pig iron) listed in the attached telegrams from Athens (No. AMAG 524 of November 23 for 14,057 metric tons, a portion of the fourth quarter requirement, and No. AMAG 620 of December 8 for 19,185 metric tons, a portion of the first quarter 1948 requirement) as can be obtained without serious adverse effect upon the domestic economy. This request, therefore, qualifies for your consideration for export under paragraph b (ii) of Allocations Regulation 2. I recognize in stating this that, in carrying out your responsibility, it may prove necessary for you, in taking action, to make adjustments in quantities and in delivery schedules with a view to minimizing the impact upon the domestic industry. It is strongly recommended that you take favorable action on this request.

Sincerely yours,

Acting Secretary

Enclosure:

1. AMAG 524
2. AMAG 620

The Honorable
W. Averell Harriman,
Secretary of Commerce.