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REPORT OF GREECE

Addressed by
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In response to an urgent appeal by the Greek government, Congress
authorized aid and in May of this year the Greek and Turkish Aid
Program, under which $500,000,000 was allocated to Greece.
President Truman, in his
message to Congress on the Aid Act, stated that if aid were not extended
Greece could not survive as a free nation but would be forced into
the communist orbit by a communist minority supplied from abroad.
By
overwhelming majority Congress determined that it was in our
national interest to aid this freedom-loving nation, our gallant
ally in the last war, in restoring her war-devastated economy and
in providing military supplies needed to establish internal order.
An American Mission for Aid to Greece, under the leadership of
former Nebraska Governor Dwight D. Eisenhower, was sent to Greece to
administer the program.

In the meantime Americans have been asking many questions
about the Greek Aid Program: "Has the United States justified in
assuming this grave responsibility toward Greece?" "How much
aid has Greece really been given?" "What sort of a job is the American Mission
doing?" "What can the Mission do with the funds
provided?"

I have just returned from a 3-weeks' visit to Greece. I
spent a great deal of time with Governor Grivas and his staff
and the American Ambassador, Mr. McNerney. I talked with
Greek political leaders and with members of the Greek government.
I met with the Greek Prime Minister, Mr. Sotoulis, who has despite
his advanced age returned to political life to lead his people
under the new coalition government. I talked with businessmen in
Athens, with farmers and villagers in the Peloponnesus and Crete
and with refugees in the guerrilla area north of Salonika.
I would like to report on the situation in Greece as I see it in light of an accounting of the issues and actions. I am concerned about the situation in Greece and its impact on the American people.

First of all, the American Mission in Greece is a good mission. The members are dedicated Americans who are working diligently to improve the situation. They have been selected from a large pool of applicants based on their qualifications and their commitment to the mission. In the past, members of the Mission have been working in areas such as education, health care, and economic development. They have made a significant impact in these areas, and their efforts have been appreciated by the people of Greece.

The Director of the Agriculture Division was drafted from his position as a business manager at Texas A&M University. He brought valuable experience in the agricultural sector to the mission. The Director of the Commerce and Supply Division left a key position in a New York food concern, following an outstanding government career which included service as a top official in the War Production Board. The Mission Engineer was formerly Commissioner of Highways in New Jersey, a state which is considered to have the same type of country as Greece. The Head of the Industry Division was formerly President of the Sperry Gyroscope Company. Other top officials of the Mission are men of similar caliber.

I found at Mission headquarters a spirit of enthusiasm and teamwork. The Mission staff believe in their Mission. They are not the dollar imperialists the Hunscore press would have us believe. They are true as friends to a country they genuinely want to help, and whose sovereignty and dignity they respect—as they respect the greatness of her past.

But you may say, "What has the Mission done to save Greece?"

First of all there is the purely statistical record. Downeast shipments of United States military supplies and equipment have been delivered to the Greek Army. Greek troops are now fighting with our ammunition and strategizing on our supply lines. In addition, 30,000 tons of wheat and flour have arrived in Greece and 7,500 tons of milk. The Greek children are being fed. Other necessary Greek imports, such as petroleum, coal, automotive spare parts and fertilizers have been financed with our funds.

But the accomplishments of the Mission cannot be assessed entirely in terms of goods delivered. Since it began operations in July the Mission has been quietly laying the groundwork for cooperation with the Greek government to assure that American aid is effectively utilized for the purposes intended, and that the Greeks themselves make the maximum contribution from their own resources in the recovery effort.

On some fronts the Mission is giving technical advice to the Greek government. There is no country more interested in the issues involved, the Mission has agreements with the Greek government which permit control over the operations. There joint resources of the two countries are involved, cooperative agreements have been negotiated which define...
the obligations and responsibilities of both countries. An example is the Public Roads Administration where an American engineer administers the construction and maintenance of Greek roads.

A start has been made in the reconstruction of Greek transportation facilities damaged or destroyed by the war, and which are acting as a bottleneck to all Greek recovery. American contractors, with typical American initiative and energy, have organized Greek engineers and laborers. Jobs have been offered to guerrillas who accept the government's amnesty. They have brought in American equipment and materials as required, while at the same time endeavoring to make maximum use of local Greek materials. Work has been started on the Kalavrita highway. Torches are busy repairing the damaged docks at Piraeus and are clearing the vital Corinth Canal. All this reconstruction activity is a visible and even dramatic evidence to the Greek people of the sincere desire of the United States to aid the Greek nation.

For the first time since the termination of war Greece has a sound and complete economic program, designed to start her on the road toward self-support. In his address last Sunday night in Athens, Prime Minister Sophoulis announced a program developed in cooperation with the American Mission. The Prime Minister calls for moratoria and reconversion from the Greek people in achieving their own recovery. He announced a new foreign exchange plan designed to overcome the handicap to Greek export trade of an over-valued currency and to sell their tobacco, olive oil, surpluses and other products on the world market. He also announced the creation of a Foreign Trade Administration headed by an American employee of the Greek government. This administration will have authority to grant all import licenses. It will eliminate luxury imports and will promote Greek export trade. The Prime Minister called also for balancing the Greek budget, which can be accomplished only by abolishing non-essential government services and effecting economies in public administration.

In other areas vital to the recovery of Greece the Mission has made real if not spectacular progress. Agriculture provides a livelihood for 60 percent of the people in Greece. Seeds have been planted for seed, fertilizers, and pesticides; harvesting plans imported by UNRRA have been put into operation; spare parts have been ordered for tractors and other farm equipment; a seed-drilling program has been started to increase ground water necessary to expand productive land areas.

Mission experts in government administration are working directly with a selected team of Greek officials to assist them in effecting a general reorganization of the Greek government. This is designed to increase administrative efficiency, to improve civil service procedures and to make overall savings in the Greek budget. The Greek government is reducing its civil service employed by 22,000 before December 31.
In the field of Public Health, the Mission has taken steps to pressurize and sanitary facilities for the 200,000 refugees in the north of Greece who have been made homeless by guerrilla activity. It is assisting the Greek government in a reorganization of its health services. It is financing an effective anti-malaria program conducted by the Greek School of Hygiene, which has reduced malaria cases from 2,000,000 to 200,000 a year.

In the field of labor, the Mission is advising the Greek government in the development of a sound social and salary structure designed to promote industrial efficiency and an equitable relationship between income and prices. The Mission has begun to train Greek workers in the skills required for the reconstruction program and in other practical fields which will assist in Greek recovery.

I would note, however, that you think that the path to recovery in Greece will be easy for that Greek independence of design is not yet in sight. The purchasing power of the Allied Fund has been reduced by increased world prices. This year's crop drop in Greece is only two-thirds normal. A considerable portion of the Allied Funds earmarked for reconstruction has been made available to alleviate expenditures. Guerilla activity has not been decreased by the liberal offer of amnesty by the Greek government. The balancing of the Greek budget has not as yet been accomplished.

One can, however, say that all of the necessary elements for recovery are now present, and can begin to be appraisal; once internal order is established in Greece. In the establishment of internal order we are relying heavily on the action by the General Assembly of the United Nations of a commission which will effectively seal the Greek border against assistance to the guerilla from Greece's northern neighbors. If order can be restored there is every reason to be optimistic about the recovery of Greece -- even more optimistic than one can be about the recovery of the more industrialized countries of Europe. If order is not restored there can be no recovery.

I would at this point take up my conviction on two vital points which are not clear to all Americans. The first is that Greece is a real democracy -- as an understood democracy. The word democracy originated in Greece. There has been much talk about bolshevism of Greece by a few wealthy people in America. On my opinion this has been greatly exaggerated. There is individual wealth in Greece, as there must be in any true enterprise business system. There have been selfish individuals and groups which have taken advantage of Greek democracy to further their own interests. But basically the Greek people are as democratic as any people on earth, all of the basic freedoms are jealously guarded. There are two communist papers in Athens that attack the government and the American aid mission daily. I am proud to say they attacked me. The Greek election was, in the opinion of the allied observers, a fair election. The Greek government is highly responsive, sometimes too responsive, to the desires of its people.
Secondly, I believe that Greeks are unalterably opposed to communism and will combat it with all means at their disposal. Greece has essentially an agricultural economy, and the Greek farmer, like all farmers, is devoted to the principle of private property. In talking with refugees who have been driven from their homes by the guerillas I found many who had been subjected to communist propaganda—yet none who believed any of the doctrine preached by the communist leaders. In one village of 800 there had been only one communist adherent—in another of 450 there were 25. In recent labor union elections the percentage of “refusals” was 45% whereas the communists won 4%.

It is equally true, however, that without our assistance Greece cannot withstand continued aggression by her more powerful communist neighbors to the north. In Macedonia only 60 miles of Greek territory separate Bulgaria from an outlet to the Mediterranean. If Greece’s northern neighbors continue their support of the Greek guerilla forces, the need for foreign aid will continue beyond June 30, 1949, no matter what achievements are made by the American aid mission and the Greek people toward recovery.

Greece is, of course, one of the sixteen European countries involved in the so-called Marshall Plan. Any decision on that plan or a continuation of the Greek aid program is one for the people and the Congress of the United States. Only they can decide the exact and nature of any further aid to be furnished to Greece. The policy of this country to support Greek integrity and independence, consistent with our obligations under the United Nations Charter, will not, however, terminate with the present aid program on June 30, 1949, but will continue as long as Greece remains a democratic country desirous of resisting communist aggression.