

JOHN O. IATRIDES

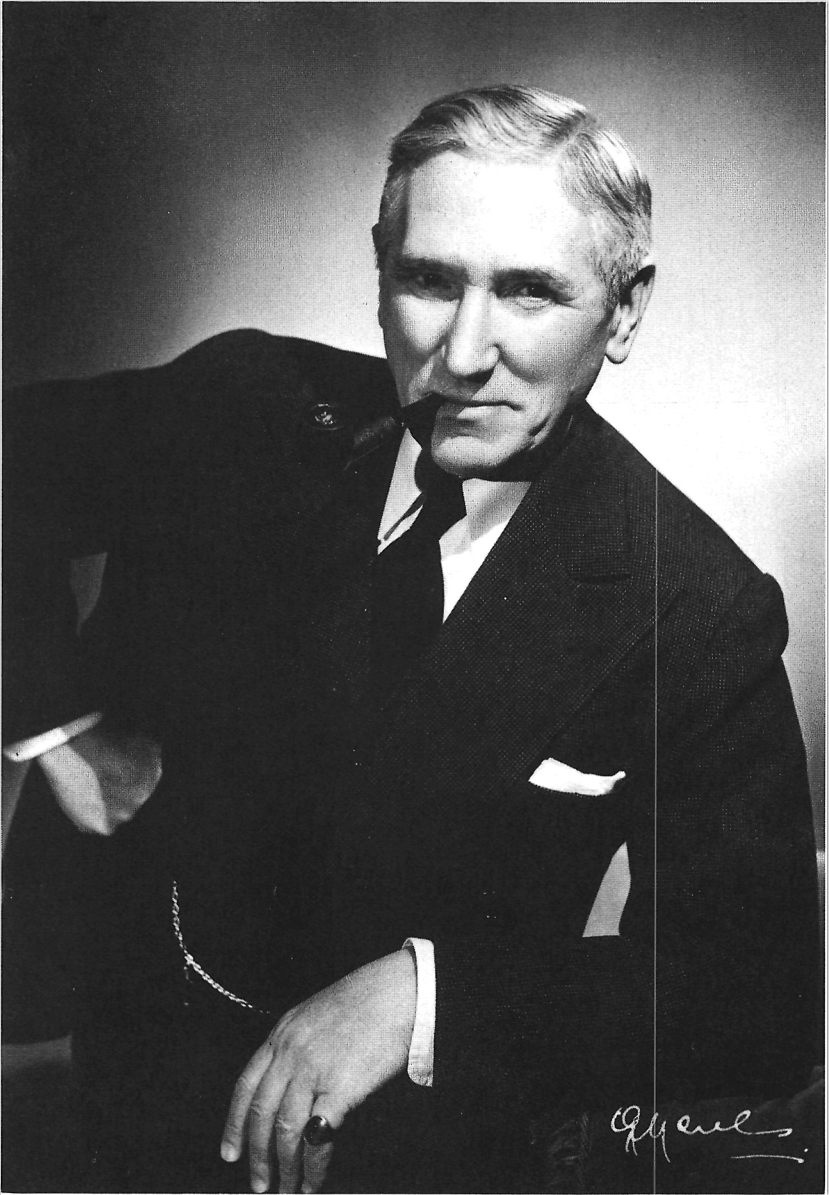
Ambassador MacVeagh Reports

Greece, 1933-1947



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Ambassador
MacVeagh
Reports



Lincoln MacVeagh

Ambassador MacVeagh Reports

GREECE, 1933-1947

EDITED BY
JOHN O. IATRIDES

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CONTENTS

FRONTISPIECE	ii
EDITOR'S PREFACE	vii
ACKNOWLEDGMENTS	xiii
I. "The Greeks Are My Passion in Life!"	3
II. Fall of a Republic: 1933-1935	10
III. Dictatorship: 1936-1939	67
IV. In the Storm's Path: 1939-1940	166
V. "A Grand Little Fighting Nation"	236
VI. "A Gallant and Suicidal Resistance"	295
VII. Interlude: Iceland and South Africa	379
VIII. Cairo	388
IX. From Liberation to Civil War	591
X. End of a Journey	679
APPENDIX A. LIST OF PRINCIPAL NAMES	735
APPENDIX B. ABBREVIATIONS AND CODE NAMES	747
NOTES	751
INDEX	759

EDITOR'S PREFACE

IT IS A PITY that Lincoln MacVeagh did not write a book about his days as American envoy to Greece and elsewhere. He had a strong and lucid style, detailed diaries and other records to draw upon, his own experience as a one-time successful literary agent and publisher, a keen sense of history, and an important story to cover. Students of contemporary Greece, and of American foreign policy generally, would have been particularly indebted to him for a first-hand account of his diplomatic work over a period of twenty years, beginning with Hitler's rise to power and closing with the consolidation of the Western alliance into NATO.

That he did not choose to write such a book is not, however, surprising. An intensely private man, he was not likely to draw attention to himself or air his views in public. His withdrawal from Greece in the fall of 1947 came as a bitter blow to his pride and left him with painful memories, especially since it coincided with a major personal tragedy: the death of his wife in Athens. Moreover, he belonged to a generation of public servants for whom the publishing of one's memoirs was not quite the fashion that it is today.

Although he was well suited for diplomatic service, MacVeagh was not among Franklin D. Roosevelt's principal ambassadors. A truly cultured man, widely read and travelled, a linguist, discreet and discerning, and with the aristocratic bearing that was once considered important for high diplomatic posts, he nevertheless lacked the wealth, political backing and self-assertiveness needed for the choicer assignments. Above all, however, he was interested in Greece, a country that in the 1930s belonged to the backwaters of American foreign policy and was characteristically consigned to the Department of State's Division of Near Eastern and African Affairs.

But if MacVeagh himself was not a major figure in the Roosevelt and Truman administrations, his papers are a veritable treasure, particularly for historians of contemporary Greece, and for those interested in the development of American policy toward the Balkans and the Eastern Mediterranean during the early stages of the East-West conflict. His despatches, diaries, and letters span a long and unusually turbulent phase of Greek history: the collapse of the Republic, the monarchy's restoration, the Metaxas dictatorship, the "Albanian Epic," the German invasion and occupation, the "Cairo period" of the Government in exile, resistance, liberation, civil war, and the inauguration of the Truman Doctrine. They

also shed light on a brief but critical moment of Yugoslav history. A collection of MacVeagh's papers represents, therefore, the raw material for the study of many important and still controversial events and issues.

The purpose of this volume is to preserve this material as far as possible intact and complete. Accordingly, this is not a book about Lincoln MacVeagh, his "life and letters," or a history of the period during which he was the United States' representative to Greece. Rather, it is a nearly-continuous record, almost entirely in MacVeagh's words, of those among his diplomatic activities, reports, and observations which are most likely to prove valuable to historians of contemporary Greece, American foreign policy, and the early phases of the Cold War. Beyond providing a brief historical background, and the necessary chronological continuity, the editor has sought not to interject himself in the narrative.

Although the MacVeagh papers pertain equally to his tour as Minister to Iceland (1941-1942) and as Minister to the Union of South Africa (1942-1943), these otherwise important diplomatic assignments are not covered in this volume. Similarly, his term as Ambassador to the Yugoslav Government in exile (1943-1944) is given here very brief treatment on the basis of his diary alone. His years of service as Ambassador to Portugal (1948-1952) and to Spain (1952-1953) remain entirely outside the scope of the present undertaking.

The Sources

The MacVeagh "Papers" consist of three principal categories: the wartime diaries, diplomatic reports and other official documents, and personal letters. From this vast assortment of private and government documents, a chronological journal has been pieced together on the basis of those among his papers that provide valuable detail and insight into major political events, or offer revealing commentary and contemporary reaction. Thus the primary aim of this publication is to preserve in its original form source material, and to help capture the psychological climate of the times.

Diaries

On October 18, 1939, as the war in Europe threatened to spread in the direction of the Balkans, MacVeagh began to keep a diary which, with one major interruption (from December 8, 1944 to April 12, 1945) he continued until April 30, 1945, when the capitulation of Germany appeared imminent. The diaries, therefore, cover the most critical period of his tours as Minister to Greece, Iceland, the Union of South Africa; his term

as Ambassador to the Greek and Yugoslav Governments in exile in Cairo; and his return to Greece after liberation. One of these handwritten notebooks, for the period from October 1, 1941 to April 7, 1942 ("Iceland I") has been misplaced and may be lost. The diaries remain the property of the MacVeagh family.

Partly a pleasant diversion from the pressures of his official duties, the diaries touch on the daily routine of the Legation, the weather, the beauty of the season, staff problems, social events, news items of the day, family affairs, travels, books, and personal thoughts. These long daily entries, usually written late at night, provided MacVeagh with the chance to express himself openly and without restraint, offering relief from the restrictions of his position and persona. However, the bulk of this personal record is a detailed and candid account of MacVeagh's official activities, and a running commentary on local and international developments. Because of the highly sensitive nature of the contents, he treated the diaries as classified documents, and until his departure from Greece kept the more current ones in the Legation's safe. The passages selected for publication here deal almost exclusively with major political and diplomatic events of which MacVeagh had first-hand knowledge, and represent a very small portion of the original manuscript. Omissions of entire diary entries of one or more days are not specifically marked, but should be obvious to the reader from the interrupted sequence of entry dates.

Diplomatic Reports

From 1933 until the end of 1940, when the war disrupted regular courier service between Athens and Washington, MacVeagh wrote several hundred long despatches, covering every conceivable topic of possible interest to his superiors. Many more despatches were drafted by others on his staff, and were subsequently edited and signed by him, with the author's initials appearing on the final document together with the Minister's signature. His highly literate style and wit, as well as his profound knowledge of Greek history and national character, made his reports most interesting reading even for those in the Department who were not concerned with Greece. After 1940, the pressures of war and improved telecommunications contributed to the gradual abandonment of the long and polished but slow-moving despatch in favor of the telegram and of terse, cold prose. Most of these documents are to be found in the files of the Department of State (Decimal Series) that deal with Greek political affairs; few have been placed in MacVeagh's personal folder. Some of his telegrams have appeared in the Department's series on *Foreign Relations of the United States*. All despatches and telegrams quoted here and attributed to MacVeagh were authored by him.

x • EDITOR'S PREFACE

Typically, MacVeagh's despatches to the Department of State are addressed to "The Honorable, The Secretary of State, Washington, D.C.," and begin with "Sir: I have the honor to report that" or "Sir: In further reference to my despatch No. ——— I have the honor to report that ———" In this volume the formal portion of the opening sentence has been omitted and the quotations begin immediately with the substantive part of the first sentence. In every other instance where a particular passage is not reproduced in its entirety, excisions are indicated.

Letters

MacVeagh wrote about seventy letters to President Roosevelt, all dealing with political issues. Several of these have been reproduced in *Franklin D. Roosevelt and Foreign Affairs*, edited by Edgar B. Nixon (Harvard University Press, 1969). He also corresponded with Eleanor Roosevelt and with her brother, G. Hall Roosevelt (godfather of MacVeagh's daughter), mostly about family matters. In return, MacVeagh received many letters from the Roosevelts. Although most of the President's responses were written by White House secretaries and are little more than polite acknowledgments of MacVeagh's letters, some of them show a personal touch and a lively interest in MacVeagh's diplomatic bailiwick. MacVeagh's correspondence with the President and First Lady is now part of the Roosevelt Library collection at Hyde Park, New York. His correspondence with Hall Roosevelt and with friends and colleagues in the foreign service, some of which is quoted here, is in his personal papers now in the hands of his family. MacVeagh's correspondence with President Truman, most of which is preserved at the Truman Library in Independence, Missouri, is formal and without historical value.

Identifications

Names of individuals appearing in the text are divided into three categories:

Persons whose identity, not previously made clear in MacVeagh's or in the editor's text, is important for the understanding of a particular passage. Such names are identified in footnotes when first encountered in the text;

Persons whose identity is explained in the narrative when they are first mentioned, but who are historically important or appear frequently in these pages. Such names are included in the List of Principal Names (Appendix A);

Persons who are too well known to require any identification, or are of

EDITOR'S PREFACE • xi

no consequence to the narrative, or whose full identity and position cannot be established. Such names are not identified further.

Historical events with which the reader may not be expected to be familiar are briefly identified in footnotes when first encountered in the text. Acronyms, abbreviations, code names, and so on, are similarly identified in footnotes when they first appear, and may also be found in the list of Abbreviations and Code Names (Appendix B). Bibliographical information and document identification may be found in the notes.

MacVeagh's spelling of certain names has been changed to conform to the more modern usage or has been corrected. Thus, Carapanyotis has been changed to Karapanayiotis, Puritch to Purić, Kiosseivanoff to Kioseivanov, Mihailovitch to Mihailović, Saloniki to Salonica, etc. Since MacVeagh did not intend to publish his diary, its language at times lacks the clarity and polish that characterize the language of his letters and despatches. The slight editorial changes that have been made in the diary's text in no way alter his thought or style of expression. In every other respect, materials quoted here remain as found in the original.

ACKNOWLEDGMENTS

IN EDITING THIS VOLUME I have benefited from the trust, support and patience of many individuals and institutions.

I am most grateful to the late Ambassador Lincoln MacVeagh for allowing me unrestricted access to his diaries and personal correspondence, and for giving me complete freedom to arrange these materials for publication. The Ambassador's daughter, Mrs. Samuel E. Thorne (Margaret Ewen MacVeagh), first gave me permission to examine the diaries, provided me with detailed information about her parents' earlier years, and facilitated my work in many important ways. Mrs. Lincoln MacVeagh, the Ambassador's widow, graciously invited me to examine his papers in Estoril, Portugal, brought me in contact with many of his friends and associates, and offered much encouragement and assistance. Mr. Colin MacVeagh, the Ambassador's step-son, took a lively interest in the publication and helped me with many delicate aspects of the work. Although the responsibility for the manuscript is entirely mine, the credit for making this book possible belongs to the MacVeagh family.

Among MacVeagh's associates and friends who responded to my questions the following have been especially helpful: Loy W. Henderson, Foy D. Kohler, William H. McNeill, Col. (ret.) Allen C. Miller II, Karl L. Rankin, and Alexander C. Sedgwick.

My research in government records was greatly facilitated by Mr. Arthur G. Kogan, Historical Office, Department of State, Messrs. James E. O'Neill, William J. Stewart and William R. Emerson of the Franklin D. Roosevelt Library, and Philip C. Brooks and Philip D. Lagerquist of the Harry S. Truman Library. I am also grateful to the National Endowment for the Humanities and to the American Philosophical Society for their generous grants in support of my work.

I am greatly indebted to Mr. Sanford G. Thatcher of Princeton University Press for taking an interest in the MacVeagh journal long before I could produce a manuscript, to Ms. Cynthia Perwin Halpern for her editorial assistance, and to Mrs. Virginia E. Lloyd of Southern Connecticut State College for her expert typing and retyping of what must have appeared as a never-ending endeavor.

Finally, I am grateful to my wife, Nancy, for her forbearance during the many years it has taken me to prepare this volume and for helping me with the manuscript along the way.

Ambassador
MacVeagh
Reports

CHAPTER

I

“The Greeks are My Passion in Life!”

THE AVALANCHE of congratulatory messages that began to reach Franklin D. Roosevelt moments after the results of the November 1932 elections had become known included a letter from the president of Dial Press, a small publishing firm in New York. In what was destined to become the first in a long series of “Dear Franklin” letters, Lincoln MacVeagh sought to convey to the President-elect the joy and admiration of three generations of MacVeaghs: “Ever since old times when you were beginning your career and I was Hall’s room-mate and visited you in Albany and Campobello, I have been hoping for this. My mother who is seventy-two, and the widow of a Republican ambassador, remained at her country place in New Hampshire over election-day so that she might cast her vote for you, and my little girl, who is twelve, wouldn’t go to bed till she was sure you were elected. That’s how we feel about you.” The brief letter closed on a rather somber note, characteristic of the thoughts of millions of Depression-frightened Roosevelt supporters: “You have tremendous problems ahead of you. But it seems to me that the high spirit and unparalleled courage with which you have brought your career to this great height will carry you to success in their solution. I earnestly pray, and confidently expect, that the final satisfaction will be yours.” (1)

Lincoln MacVeagh had known the Roosevelts since childhood. G. Hall Roosevelt (“Smouch” to his friends), Eleanor’s younger brother, had been his classmate and close friend at Groton (class of 1909), and the two had roomed together at Harvard.¹ Hall Roosevelt’s wife was the god-mother of Lincoln’s daughter, Margaret Ewen MacVeagh (“Little Peggy”). Groton and Harvard were logical choices for the son of a distinguished family. Lincoln had been born in Narragansett Pier, Rhode Island, on October 1, 1890. His father, Charles MacVeagh of Dublin, New Hamp-

¹ Franklin D. Roosevelt was himself a Grotonite, as were MacVeagh’s five brothers: Rogers, Ewen Cameron, Charles, Francis Wayne, and Charlton. The class of 1909 also included William Averell Harriman; another schoolmate was Dean Gooderham Acheson.

shire, had been the U.S. Steel Corporation's general solicitor and, later, President Coolidge's Ambassador to Japan. His grandfather, Wayne MacVeagh, had been Attorney General in President Garfield's Cabinet and had served as Minister to Turkey and Italy. While in Turkey, Wayne MacVeagh had been instrumental in persuading the authorities to allow an ambitious but virtually unknown naturalized American citizen, Heinrich Schliemann, to search for the mythical city of Troy, a project which was to revolutionize archaeology and the study of the classical world. Lincoln's great uncle, Franklin MacVeagh, had been Secretary of the Treasury under Taft; his great-grandmother was a cousin of President Lincoln. His mother, Fanny Davenport Rogers MacVeagh, was a direct descendant of Thomas Rogers, the eighteenth signer of the Mayflower Pact.

At Groton, where "every endeavor is made to cultivate manly Christian character, with reference to moral and physical, as well as intellectual development," MacVeagh had been quite successful. He won a number of awards, including the English Essay Prize, the Greek Prize, the Junior Debating Prize, and was elected secretary of his class and editor of *The Grotonian*. His short stories were often centered around his own experiences in England and Italy, where he had traveled with his family. He was also a good athlete and played quarterback on the sixth form's team until an injury forced him to give up that much-coveted position. Although his family had expected him to go to Yale, MacVeagh had been persuaded by his friend Hall Roosevelt to enter Harvard instead, a decision he never regretted. Throughout his life he felt a special kinship for Harvard men and when his step-son, Colin MacVeagh, who had been raised and educated in Europe, was ready to enter college, it would be Harvard again.

Building on an already solid foundation of classical Greek and Latin, MacVeagh majored in philosophy and took advanced courses in literature, history and the arts. He earned the A.B.—and his Phi Beta Kappa key—in three years, graduating in 1913 *magna cum laude*. As an undergraduate he received a John Harvard scholarship, was chosen editor of the Harvard *Advocate*, and worked as secretary to the director of the Boston Museum of Fine Arts. After Harvard, he spent a year in Paris, studying philosophy and languages (French, German, Italian) at the Sorbonne.

His college training and broad cultural interests did not easily settle the question of a career, and there was no family enterprise he could join. After a year in New York, working for the U.S. Steel Products Co., he became a salesman for the college department of the Henry Holt Publishing Co., visiting campuses throughout the southern and western states and being initiated into the secrets of the publishing world. In

August 1917, he married Margaret Charlton Lewis of New York, daughter of a distinguished linguist and authority on Latin, and herself a serious student of classical languages. She was also strong in modern Greek, and in later years enjoyed reading the works of Stratis Myrivilis in the original. Their marriage was to prove the perfect match of two highly cultured companions: in addition to their many mutual interests the MacVeaghs were to spend endless happy hours taking turns at reading aloud masterpieces of world literature. Although MacVeagh was a life-long student of both classical and modern Greek (he used the New Testament as his text), and could eventually read the Athens newspapers with little difficulty, he never really spoke modern Greek. Their only child, Margaret Ewen, born in March 1920, started learning Greek at the age of nine, and was soon fluent in both the classical and the vernacular languages. She was to develop a serious and lasting interest in Greek literature and culture.

In May 1917, MacVeagh enlisted, and two days before his wedding he was commissioned first lieutenant (Infantry), detailed to the school of trench warfare at Cambridge, Mass. Assigned to the 80th Division, he was soon promoted to captain and on May 22, 1918 sailed for France. He saw action on the Artois, St. Mihiel, and Meuse-Argonne fronts and served as aide (Operations Section) to Major General Cronkhite, commanding general of the 80th Division and later of the 9th and 6th Army Corps. In March 1919, he was transferred to the Historical Section, General Staff, American Expeditionary Force, where he was promoted to major. Returning to the United States in late May, he was discharged on July 4, 1919, having been cited by General Pershing for “exceptionally meritorious and conspicuous services” and recommended by General Cronkhite for the Distinguished Service Medal.

A few months after his return to civilian life, MacVeagh rejoined Henry Holt as head of the trade department, and in 1920 became one of the company's directors. He invited his friend, Franklin D. Roosevelt, then Assistant Secretary of the Navy, to write a book on the growth of the American navy, but Roosevelt had already promised such a manuscript to another publisher. MacVeagh was more successful with literary men such as Robert Frost, who soon became a personal friend, Robert Benchley, and Stephen Vincent Benet, many of whose works were published by Holt thanks to MacVeagh's successful efforts. His search for good manuscripts also took him to England, where he secured Albert Einstein's *Relativity* and Marcel Proust's *Swann's Way*.

Anxious to be completely on his own, MacVeagh resigned from Holt in December 1923, and the following year founded the Dial Press, Inc., while also serving as secretary and treasurer of the Dial Publishing Co., publisher of the *Dial* magazine. His considerable experience, scholarly

interests, cultured taste and contacts served him well, and he was soon able to attract to his firm both new and established authors. Among the many works published by Dial Press were Elizabeth Bowen's *The Hotel* (MacVeagh's first best-seller), Marshall Foch's *Foch Speaks*, Prince Kropotkin's *Ethics*, W. R. Burnett's *Little Caesar*, Valentine Kataev's *The Embezzlers*, Michael Ossorgin's *Quiet Street*, Prince Yousouppoff's *Rasputin*, Denis Saurat's *Blake and Modern Thought*, A. E. Taylor's *Plato*, and Herman Finer's *Theory and Practice of Modern Government*. MacVeagh also started the Library of Living Classics, edited *Champlin's Encyclopedia for Young Folks* and *Poetry from the Bible* (Dial, 1925), and wrote an essay entitled *Literature, Art and Mythology* (Dial, 1930).

After leaving Holt and for the next ten years, MacVeagh made his home in New Canaan, Connecticut, commuting to his office in New York by train, usually studying Homer in the original along the way. The MacVeaghs travelled to Europe and Greece in 1929, 1930, and 1931, reading aloud from Herodotus, Thucydides, and Xenophon as they visited the historical sites. But it was not only that small country's glorious past that seemed to fascinate them. "It's a genuine place," he remarked after the 1931 visit, "and when you realize what can be done with reclamation of marsh land, engineering projects and reforestation, there is no limit to its future." (2) He thought that Greece was on the threshold of bold economic and social development. "Its political heritage," he observed elsewhere, "which has contributed in varying degrees to the governments of all modern nations, has at home produced a strong and independent race of people, eager for liberty and capable of great achievement. It should not be forgotten that less than a century ago Greece was a medieval scattering of war-spent states, with no national consciousness and no unity. . . . The story of modern Greece is really amazing. . . ." (3)

While the MacVeaghs were not politically active, their Connecticut friends included some of the state's more prominent Democrats and Roosevelt supporters. Among them were Archibald McNeill, chairman of the State Democratic Committee, Dr. Edward G. Dolan, Margaret Emerson Bailey, President of the New Canaan Roosevelt Club, Homer S. Cummings, William Baldwin, and State Senator William H. Hackett of New Haven. In the fall of 1932, as a Roosevelt victory appeared quite likely, several members of this group casually suggested to MacVeagh that he might wish to become the next President's envoy to Greece. Later on, Dr. Dolan would take credit for first proposing MacVeagh's name to Roosevelt and his campaign manager, James A. Farley. That MacVeagh himself may have cultivated the idea is suggested by an entry in his diary (October 14, 1942), ten years later, in which he recalled the start of his diplomatic career and marvelled at the "strange consequences to one night's inspiration driving home in the dark from Darien station,

when I outlined a possibly fantastic plan to Peggy with which she fell in so loyally and enthusiastically! . . .”

MacVeagh's congratulatory letter to Roosevelt on election night was soon followed by another, indicating that he was more than ready to abandon the pleasures of the publishing world for the vicissitudes of a diplomatic career:

January 31, 1933

Dear Franklin:

I am sending you—whether for your birthday or that of Abraham Lincoln, I can't quite make out—a little book I am just about to publish, entitled, “The True Story of the Gettysburg Address.”

It is small, and fits in the pocket, and who should have the first copy of it but the next President of the United States? But if you dare to acknowledge it, even through a secretary, you will be guilty of a high crime and misdemeanor, for you are too busy for such things.

I am writing to my mother in Rome about your acknowledgment of her vote for you. That was a gracious thing for you to do, and graciously said.

It may come to your attention that friends of mine in Connecticut are proposing me as a candidate for the post of Minister to Greece. It seems that such a minor diplomatic appointment would greatly cheer the young Democrats, who are fighting to wrench the State from its entrenched Republicanism. Mr. McNeill and Dr. Dolan would not at all be averse to finding someone whom you would consider. They now know my qualifications for the post, but they cannot know to what an extent my willingness to have my friends mention me in the first place was dependent on my desire to put special knowledge, which I had gathered through years, at your personal disposal. When you have so many things to look after as you have, you can't have too many people working for you who are devoted to you. You would have another pair of your own eyes in Greece if I were there, at the same time that you would please some hard-working party friends at home. That seems to make of the idea what the sports' writers call “a natural,”—so much so that perhaps you will forgive my bringing it up!

I hope you are really going to get some days of rest.

Very sincerely yours,
Lincoln MacVeagh

P.S. I haven't been to Greece every year for the past three years just to look at ruins! It's a fascinating place that has had too much history recently for its primitive economic structure to bear. And it's going to take

a lot more knowledge and care to get our money out of it than those people showed who put it in. I'm sure I could help you on this small but vexatious problem, if you ever cared to call on me. *The Greeks are my passion in life!* (4)

Following Roosevelt's inauguration on March 4, 1933, the Department of State received word of the President's decision to appoint MacVeagh Minister to Greece, to succeed Robert P. Skinner. After a routine confirmation by the Senate, Acting Secretary of State William Phillips instructed the American Chargé in Athens (Leland B. Morris) to inquire whether the Greek Government would agree to the appointment. Listing the nominee's qualifications, he pointed out that because of his "lifelong study" of Greece and his several visits to that country, MacVeagh "is familiar with Greek problems and Greek psychology as few outsiders are." (5) On July 19, accompanied by his wife and 13-year-old daughter, MacVeagh sailed for England. After visits in London, Paris, and Rome for consultations regarding his new duties, he reached Athens on September 4. He presented his letter of credence on September 22, and in his first despatch from the Greek capital he described the scene:

[Athens, September 22, 1933]

I have the honor to report that I was today, at noon, received by Mr. Zaimis, President of the Hellenic Republic, at his official residence. . . . At the President's Palace I was received by the Acting Chief of Protocol and was met at the top of the stairs leading to the President's rooms by Mr. Maximos, the Minister of Foreign Affairs, who had just returned from Ankara. Mr. Maximos met me with conspicuous friendliness recalling our pleasant time together when I called on him at Salsomaggiore recently, and led me directly to the President. After I had been formally presented to the President by Mr. Maximos, I read a brief speech in English, as prescribed in the regulations of the Department of State. The President replied in kind, using the French language. The President then engaged me in conversation and I said in French that I was sorry not to be able to converse in Greek but that I hoped some day to be able to do so. I had, however,—I said—written out a few informal words in that beautiful language, and, with the President's permission, would like to read them. I then read a few remarks in Greek. My thought in this matter appeared to please both the President and the Foreign Minister, who thereupon began to talk with some animation. . . . (6)

Years later, an account, most probably provided by himself, reported that MacVeagh "followed the presentation of his credentials with a speech in

classical Greek which few of his hearers understood, but all applauded.” (7)

Returning from the Presidential Palace the new “Envoy Extraordinary and Minister Plenipotentiary of the United States to Greece” telegraphed his superiors: “I assumed charge today. MacVeagh.” (8)

Fall of a Republic:

1933-1935

As MINISTER MACVEAGH soon had occasion to reflect, the country to which he had just been accredited represented a fascinating study in contrasts. Once the fountainhead of western civilization, it was now part of what King Nicholas of Montenegro called Europe's *petite monnaie*, the small pawns of power politics. Predominantly a nation of farmers, fishermen, and small shop-keepers, living in little communities scattered across a picturesque but hardly bountiful land, Greece's destiny remained controlled by persons and events in the capital. Athens itself, with its magnificent historical treasures and cosmopolitan society, its wide boulevards and handsome public buildings, was still a tiny oasis squeezed hard on all sides by refugee settlements, old villages, and farms. Even the sacred hills of the Acropolis and the Pnyx, symbols of ageless beauty and human achievement, rising so close to the spacious Constitution Square with its massive Parliament Building (the Old Palace), the famed Grande Bretagne Hotel, and the sidewalk cafes, were surrounded by squalor, offending odors, and filth. Years later, gentle hints to the authorities from the MacVeaghs, who loved to take long walks around these ancient sites, would be only moderately successful in having the paths and grounds of the Pnyx and Philopapou cleaned up. To the outsider, the very mood of the Greeks appeared to fluctuate between Olympian heights of national exuberance and deep gorges of doubt and despair. Yet beyond these dazzling contrasts, two principal movements were clearly evident: native industriousness, entrepreneurship, and economic reforms (however inconsistently pursued), were bringing about slow modernization and social progress, while politically, the cleavages of the "national schism" continued to keep the country in a state of almost perennial turmoil and uncertainty.

Following the turbulence of the Great War and the shattering of the expansionist dream of the "Megali Idea" (the idea of a Greater Greece), the nation appeared to have turned inward, anxious to forget its recent disastrous foreign adventures, and to concentrate instead on domestic

economic priorities, overshadowed by the monumental task of caring for more than one million refugees from Asia Minor who had been abruptly added to the nation's population of six million. After 1928, when Eleftherios Venizelos, the country's greatest political figure in modern times, returned to power once again, and with the aid of large foreign loans, the government had undertaken extensive drainage projects which gradually expanded the rich agricultural lands of Macedonia where most of the refugees were being settled. Better strains of wheat were introduced, farming techniques were improved, and with the help of a newly created agricultural bank, large estates were expropriated and turned into thousands of small private plots. Although indebtedness to the state—and of the state to foreign creditors—had by now become a way of life, there was a substantial reduction in grain imports, and the farmer's lot improved, albeit slowly. New roads, often built partly for military purposes, and a small expansion of the railroad network, facilitated transportation and made overland travel less of an ordeal than it had always been. In their many travels by car criss-crossing the country, the MacVeaghs were pleasantly surprised to discover roads where none had existed, and paved surfaces where gravel and dust had engulfed them only a few years before. Similarly, Venizelos' educational reforms were spearheaded by an ambitious building program, which favored technical and agricultural schools and established the *demotiki* as the language of instruction at the primary and secondary levels. Education improved social mobility and enlarged the nation's skilled labor force. Although the Great Depression put a stop to most of these public works, and the frequent changes of ministers meant that programs were often abandoned as soon as they had been introduced, there was a general and unmistakable improvement of economic and social conditions across the country.

While naturally interested in all these social and economic advancements, some of which were being financed with American loans and carried out by American companies, it was to the country's political arena that MacVeagh soon turned his chief attention. His profound knowledge of the classical world impressed every Greek who came to know him and earned him an exalted place in Athenian society. His language skills, urbane manner, and excellent hospitality made him a valued member of the diplomatic community. His discreet ways and common sense endeared him to political leaders and foreign diplomats who confided in him and sought his advice. To the traditional admiration of Greeks for the United States and things American, his relationship with the Roosevelts added a new dimension, and turned him into a man of prestige and popularity in Athens and, before long, in some of the country's remotest corners. Within a short time he became a well-informed observer and perceptive commentator on Greece's internal and external politics.

Politically, the legacy of the Great War had been a veritable "national schism," precipitated by a mixture of conflicting foreign policy objectives, fundamental constitutional controversies, personality clashes, and sheer emotionalism. Its chief protagonists were two strong-willed men engaged in a power duel accentuated by different perceptions of the national interest: King Constantine I, hero of the Balkan wars and recent ascendant to the throne following the assassination of his father, George I, and Eleftherios Venizelos, the country's Prime Minister and its most powerful political personality.

An admirer of Germany's military might, Constantine had expected the Central Powers to prevail in a protracted war against England and France. Married to the sister of the German Emperor, he firmly believed that the family bond linking the two monarchies should also serve as the catalyst for cordial relations between Berlin and Athens. Nevertheless, he was realistic enough to acknowledge that with England and France dominating the Mediterranean, Greece could not possibly enter the war on Germany's side. Genuine neutrality thus appeared to him to be the only prudent course. In his staunch opposition to Venizelos' schemes, the monarch was also motivated by his resentment of his Prime Minister's stranglehold over the nation's political life and a reluctance to see the Cretan's prestige rise to new heights.

For his part, Venizelos saw the commitment of Greece to the Allies' cause as the golden opportunity for the fulfillment of his personal—as well as the nation's—greatest dream, and the logical extension of the gains made in the Balkan wars: the re-birth of a "Great Greece" astride the Aegean Sea, through the acquisition of territories of the Ottoman Empire which were closely associated with the nation's distant and more glorious past. In addition, he believed that geographic and to a lesser extent commercial realities allowed Greece little choice but to align itself with Europe's great naval powers. In sum, in his own mind Venizelos identified his personal vision with the nation's lasting interests, and impatiently sought to place Greece actively on the side of the Entente Powers.

In March 1915, Venizelos' offer to have Greek troops participate in the Dardanelles campaign was not accepted by the Allies and was repudiated by Constantine, forcing the Prime Minister to resign. However, the elections which followed several months later (June 1915) returned Venizelos to office with an even stronger majority than before, and he immediately resumed his efforts toward bringing Greece into the war. Moreover, he believed that his triumph at the polls represented a solid public endorsement of his foreign policy and a mandate which the king could no longer oppose. In September, having concluded an alliance with the Central Powers, Bulgaria prepared to enter the fighting and Serbia renewed earlier appeals to Greece for assistance. Venizelos now invited

the Entente Powers to send troops to Salonica to attempt what the Dardanelles campaign had failed to accomplish: to open a decisive breach through the enemy lines. But Constantine refused to accept this new development, and continued to insist on a policy of neutrality. Venizelos had little choice but to resign once again.

This time, however, the relationship between the two men had suffered irreparable damage. When the king called for new elections (held in December 1915), Venizelos condemned this second dissolution of the parliament in one year and over the same issue as authoritarian action contrary not simply to the popular will but to the constitution. He further ordered his Liberal Party to boycott the elections. As a result, about sixty-five percent of the electorate abstained, the king's supporters formed their own government, and Greece remained neutral a while longer. More importantly, a constitutional controversy involving the monarch's prerogatives had been unleashed, and its reverberations were destined to continue for decades to come. By rejecting his Prime Minister's popular mandate, Constantine appeared to act not as the nation's impartial arbiter, but as the head of the anti-Venizelist camp that, at least for the moment, was a distinct minority. This split left Greece defenseless in the face of the impending direct and highhanded foreign intervention.

In the early summer of 1916, Constantine's government brought upon itself the wrath of the Entente Powers, first by refusing to allow Serbian forces to cross from the island of Corfu to Salonica, and then by peacefully surrendering to the Germans and Bulgarians the most important fortification in Greek Macedonia: Fort Roupel. Hostile to Constantine on general grounds, and concerned about their troops already stationed in Salonica, the British and French governments imposed humiliating conditions upon the Greek king, forcing him to dismiss his cabinet, call for new elections, demobilize his army, and purge key officers of the police. When in September the city of Kavalla was seized by German and Bulgarian forces and its imprisoned Greek garrison was sent to Germany, Venizelos resorted to revolutionary action. On October 9, he landed in Salonica, announced the formation of a "Provisional Government," and declared war on the Central Powers. After blockading the rest of Greece, landing troops at Piraeus, and precipitating a bloody incident, the Allies finally forced Constantine to abdicate in June 1917, leaving on the throne his second son, Alexander. Although Constantine was to return three years later, following the sudden death of Alexander, the victorious Allies had written him off and would not deal with him.

Ironically, his political enemy fared no better. Despite his impressive performance at the Paris Peace Conference and the Allies' initial backing of his expansionist policy, Venizelos was resoundingly defeated in the November 1920 elections, which the death of Alexander had turned into

a contest between himself and King Constantine. Venizelos' opponents had been able to capitalize on the people's strong resentment of Anglo-French intervention, their pro-royalist sympathies, as well as on the growing disillusionment with Venizelos' ambitious and costly foreign policy, which threatened to keep the nation at war for years to come. Embittered and in fear of assassination, Venizelos sought refuge abroad. This abrupt change of political fortunes served to widen the nation's division, and incidentally sealed the fate of the Greek expeditionary force in Asia Minor, which Constantine had inherited, and Britain first supported but then gradually abandoned. Defeat at the hands of Kemal's (later known as Atatürk) growing Turkish forces came in the summer and fall of 1922, followed by a humiliating retreat to the coast and the massacre of countless Greek communities, including that of the prosperous city of Smyrna.

In search of scapegoats, a group of disgruntled army officers under Colonels Nikolaos Plastiras and Stylianos Gonatas demanded the King's abdication and the institution of a formal inquiry into the national disaster of Asia Minor. Once again Constantine took the bitter road to exile, having abdicated in favor of his eldest son, George. Six of the King's principal advisers, including Prime Minister Dimitrios Gounaris and Commander-in-Chief George Hadjianestis, were hastily court-martialled and shot on November 28, 1922. Britain's ambassador had tried in vain to pressure the government into calling off the executions. Years later, MacVeagh would find himself in a similarly agonizing situation. A political feud, aggravated by military defeat, had now been turned into a true vendetta.

Not surprisingly, the executions of prominent leaders, whose guilt had been more symbolic than factual, settled nothing. On the contrary, the resulting paroxysm of political passions, encouraged by the activities of obstreperous anti-monarchical elements in the armed forces, organized into the "Republican Officers League," compelled King George II to follow his father into exile. In an attempt to settle the constitutional issue once and for all, enemies of the monarchy proclaimed Greece a republic in March-April 1924, and Prime Minister Alexander Papanastasiou, one of the most active promoters of the change, thus acquired the dubious appellation of "Father of the Republic." And so it was that some nine years later, Minister MacVeagh presented his credentials not to a reigning monarch, but to President Alexander Zaimis, a colorless and vacillating man of advanced age, whose principal political virtue was the fact that he was very probably the only political figure in Athens who was acceptable to all the warring factions for the nation's highest office.

From the outset, the republic had been in serious trouble, buffeted by the same rivalries which had persuaded King George to leave. With the political world unable to find a viable compromise on constitutional

issues, domestic and foreign affairs, and personal feuds, the military continued to dominate the political field, thus increasing the level of instability, intrigue and violence in the country. Officers came to identify their personal futures with the fortunes of the Venizelists or the anti-Venizelists, the republicans or the monarchists, the Liberals or the Populists. Cliques grew into conspiracies, which invariably led to thoughts of military coups. As Venizelos' star continued to decline and his self-serving tactics intensified, his Liberal Party began to gravitate around such lesser luminaries among his followers as Themistoclis Sofoulis, Andreas Michalacopoulos, George Kafandaris, and Alexander Papanastasiou. The anti-Venizelist forces centered around Panayiotis Tsaldaris' Populists, and the much smaller but vociferous "Free Opinion" Party, led by John Metaxas. Governments rose and fell in rapid order, interspersed with military coups of varying orientations and having various degrees of success. Thus in June 1925, General Theodore Pangalos seized power, and the following April had himself elected President of the Republic. Imbued with an authoritarian and puritanical zeal, he proceeded, for instance, to regulate the length of women's skirts by having them measured and appropriately altered in periodic spot-checks in the streets of Athens, and to combat corruption in government service by publicly hanging several junior officers. His fiscal policies were no more enlightened, and his relations with neighboring states were truly disastrous. To the great relief of the public, he was overthrown by General George Kondylis, who in a remarkable display of originality and wisdom restored a semblance of parliamentary rule through the elections of November 1926. Shortly thereafter, Venizelos returned to power once more, and despite the drastic decline of his popularity and the growing fragmentation of his following, he succeeded in introducing the significant social and economic reforms already mentioned above. Nevertheless, the unmistakable signs of general improvement could not hide the continuing "national schism": Venizelos now symbolized the preservation of the Republic, while increasingly the more implacable among his many enemies rallied to the cause of the monarchy's restoration.

As the American Government was going through the formalities of obtaining MacVeagh's confirmation, political turmoil in Athens continued to intensify. The elections of September 25, 1932, had been held amid strong indications that the Republican Officers League would resort to force to prevent the formation of a Populist government. However, ballot returns revealed that neither the Populists nor Venizelos' Liberals had enough strength to form their own government, and that leftist groups together with the Agrarians had scored something of a victory by receiving a total of eleven percent of the vote. With characteristic astuteness, Venizelos stepped aside, allowing Tsaldaris to form a government

which consisted of some Populists, several dissident republicans (including Kondylis), and John Metaxas. Such a motley array of opportunists was not destined to survive long. Indeed, the moment Tsaldaris had made a feeble attempt to bring Populist loyalists into key military and civil service positions, his cabinet fell apart. New elections were announced for March 5, with Venizelos' Liberals now confident of a landslide victory. Yet the nation had no enthusiasm for either of the major parties, and viewed all political leaders, including Venizelos, with growing suspicion. As a result, the combined Populist, anti-Venizelist and monarchist forces, while far from effectively united, received a substantial parliamentary majority.

There is some reason to believe that Venizelos himself was prepared to accept this popular verdict, at least for the moment. However, his political ally, General Plastiras, was not, nor did Venizelos, to whom Plastiras revealed his intentions, make any real effort to restrain him. With the help of other republican officers stationed in and around Athens, on the day after the elections, Plastiras seized the Ministry of War and proclaimed the establishment of a dictatorship for the purpose of defending the republic against its enemies. But the latest coup was a fiasco. Other senior republican officers, led by Generals Alexander Othonaios and Theodore Manettas, refused to endorse Plastiras, and allowed his rather pitiful forces to be crushed. Soon order had been established by Othonaios himself, and Tsaldaris was thus able to form a new Populist government. Some of its more respected and apolitical members, including Foreign Minister Dimitrios Maximos and the Minister of National Economy, George Pezmazoglou, were soon to establish cordial relations with the new American Minister.

Prime Minister Tsaldaris had wisely favored a general amnesty for those implicated in the March 6 coup. However, in a matter of days it became clear that he had no control over the more vindictive among his lieutenants, who were determined to even the score with Plastiras, and to humiliate Venizelos by publicly condemning him as the instigator of the coup. When a warrant was issued for his arrest, Plastiras went into hiding and eventually fled abroad. Protected by parliamentary immunity, Venizelos chose to defend his innocence in a dramatic speech before parliament, destined to be the last of his brilliant and stormy career. On May 15, as tension in the capital had become almost unbearable, Metaxas opened the debate with a devastating attack upon the leader of the Liberals, and Venizelos then rose to deliver his eloquent defense before a packed and highly emotional audience. Some of the deputies, fearing for the worst, had come with revolvers bulging under their jackets. When Venizelos made a favorable reference to Plastiras' past services to the nation, chaos erupted among the deputies and in the galleries. The meeting

had to be adjourned and Venizelos refused to attend further sessions, charging that his freedom of speech could not be guaranteed. Months later, with both Plastiras and Venizelos safely abroad, an amnesty decree was finally approved for the civilian conspirators. The long delayed trial of the military officers involved in the events of March 6 never took place, as it was overtaken by the upheaval accompanying the March 1, 1935 revolution, in which the same senior officers were also implicated. At that time, and despite the desperate efforts of MacVeagh and of his British and French colleagues, three of these officers were to face the firing squad.

The disruption of debate in parliament was only a harbinger of worse things yet to come. On the night of June 6, 1933, the car in which Venizelos and his wife were returning to Athens from the neighboring suburb of Kifissia was machine-gunned by a pursuing vehicle and fired upon from a number of strategic points along its route. Miraculously, Venizelos was not hurt, while his wife sustained relatively minor injuries. One of his bodyguards riding in an escort vehicle was killed and a second seriously wounded. This gangster-like battle along several miles of Kifissia Boulevard, ending in the heart of Athens, brought an already deeply divided public to the brink of civil war. While the efforts of the authorities investigating the crime were anything but vigorous, thus enraging the Venizelist faction even more, it soon became common knowledge that high officials, including the head of the Athens police, were involved in the attempted assassination. A brigand suspected in connection with the assassination plot was eventually arrested by Venizelos' private guards, and turned over to the authorities with appropriate fanfare. Charges and counter-charges and terrible threats from all sides reached an unprecedented level of paroxysm. Venizelos soon left for a much-needed rest in southern France, having given instructions to his most trusted aides to prepare for another coup. In the midst of such dangerous intrigue and explosive political passion, MacVeagh arrived in the Greek capital and assumed his duties.



In his initial report to the President, MacVeagh dealt not with Greek politics but with much more mundane matters. In the first "Dear Franklin" letter from abroad, he sought to persuade the President that the effects of the Depression had rendered the salaries of the Legation's Foreign Service personnel woefully inadequate. Recent cuts in salaries and allowances, the depreciation of the dollar, and the ever-rising cost of living had reduced their purchasing power by more than forty percent of pre-Depression levels. "I have found here a fine crowd," he wrote on November 21, 1933, "particularly happy from the point of view of character, efficient and enthusiastic—a crowd that is giving fine service to our country. But one

thing bothers me greatly,—the struggle they are having to get along under present conditions.” Aware that in addressing the President directly on administrative affairs he was taking an unorthodox step which might not be welcomed in Washington, he made it clear that he was also reporting the matter of salaries to the Department of State and concluded: “Of course, I know how enormously busy you are but I also have the feeling—correct me if I am wrong—that you trust me to observe conditions for you here personally as well as for the Government, and to report them to you from time to time, especially when they are serious.” The President’s response ignored the matter of salaries. Roosevelt thanked MacVeagh for “the fine work you are doing,” adding: “I rather envy you being in Athens and I wish I could run over to visit you.” However, he was preoccupied with other matters: “I wish you would drop me a line to give me your own opinion as to the present and future ability of the Greek government to pay us a little more on the debt. . . .” (1)

MacVeagh’s first serious encounter with the Greek Government had to do with the celebrated case of a fellow-American, Samuel Insull, Sr. The Chicago-based utilities tycoon, who had once been chairman of sixty-five corporations and director of eighty-five, had seen his empire of holding companies collapse like a pyramid of cards in the wake of the stock market crash, which had ruined thousands of small investors, and severely shaken public confidence in big business. The specter of wide-spread illegal, or at least questionable, finance practices had prompted Roosevelt to promise that his administration would deal harshly with unscrupulous financiers like Insull. In 1932, Insull had fled to Europe, and by October of that year he had made his way to Athens, armed with substantial sums of money and with the knowledge that Greece had no operative extradition treaty with the United States. However, in a matter of weeks Washington had obtained the ratification of such a treaty, and Insull’s extradition was immediately requested so that he might stand trial in Illinois for embezzlement and larceny. At first Insull argued that the new treaty could not be made to apply to him retroactively, but the Greek authorities rejected the claim and ordered his arrest. In judicial hearings tainted with partisan pressures and intra-cabinet rivalry, the appropriate Greek court proceeded to investigate the charges against Insull for the purpose of deciding whether he was to be extradited. After endless deliberations and delays, the court ruled twice that the American Government had failed to prove that Insull had in fact violated federal embezzlement and bankruptcy laws. Clearly annoyed by this development, the Department of State charged that the Greek court had gone far beyond its proper function in the matter by attempting to actually try the case, rather than confining itself to the question of extraditable offenses. Ac-

cordingly, the Greek Government was duly notified that the extradition treaty would be terminated.

Appearing to have found safe refuge, Insull, now joined by his wife, gave every indication of planning to settle in Greece, and began promoting incredibly ambitious and vague schemes for the electrification of his adopted country. According to a study highly flattering to Insull, the dethroned king of America's public utilities dazzled his eager business associates in the Greek capital with talk of ventures which "might launch Greece on an industrialization program that would restore it to its ancient grandeur." Insull is said to have concluded an "unwritten understanding" with General Kondylis, and was to have become "a Greek citizen and minister of electric power," had Kondylis not "lost the election to power by 700 votes. . . ." (2)

Despite the efforts of the American Legation's lawyers and the services of a special prosecutor dispatched to Athens by the Department of Justice, the extradition case was lost. It therefore became MacVeagh's delicate task to persuade the Greeks to expel Insull, so that the arm of American law might reach him elsewhere. Gently pulling strings behind the Greek political scene, he missed no opportunity to argue that, despite the court's ruling, permitting Insull to stay in Greece would jeopardize important long-range interests, for which America's good will was essential. In particular, he privately sought to persuade Foreign Minister Maximos that under existing Greek law, a foreigner who was the cause of serious embarrassment to the country could be declared an undesirable alien and expelled. Subsequently, Insull's friends and apologists were to claim that, in putting pressure on Greece to deport Insull, Washington had resorted to a form of diplomatic blackmail, threatening to prohibit the export of remittances by Greek-Americans to relatives back home, thus depriving that small country of much-needed income. (3)

Having permitted the matter to become a political issue, and after repeated and conflicting medical opinions concerning Insull's ability to travel, the Greek Government finally ordered him to leave the country by March 15, 1934. At the same time, the American Minister was formally informed by Foreign Minister Maximos that responsibility for Insull's "possible death or suicide under these conditions" would fall on MacVeagh. (4) When the small Greek vessel he chartered (which had slipped out of Piraeus secretly, was ordered back, and then permitted to leave again) finally put into Constantinople for supplies, Insull was arrested by the Turkish authorities, and promptly turned over to American officials who escorted him home. He was eventually tried three times on charges of fraud, breaking federal bankruptcy laws, and embezzlement, and was acquitted each time.

But if the court case against Insull was overturned, giving rise to speculation that the entire affair had been politically motivated, the charge that extralegal pressure had been used to get him out of Greece is not supported by the record. In a "Personal and Confidential" letter to the President,¹ dated May 9, 1934, MacVeagh proclaimed that he was "indeed glad to get rid of Insull," and provided the following conclusion to Insull's saga in Greece:

M. Maximos worked with a will, and with great astuteness, to put Insull out of Greece against the determined opposition of several members of the Cabinet, and the spineless indecision of a temporizing Premier. His method was simple, but of necessity slow. He would force the Premier to agree that Insull be expelled, and then announce the fact to me and to the press before the Opposition got in its counter offensive and switched the Premier round. Thus he repeatedly put the Government on record as determined to expel the fugitive, and all that the friends of Insull could do was to secure repeated delays. Finally the State Department, which had all this time wisely kept its hands off, insisting that any decision in the matter must be taken by the Greeks themselves, asked to know when Greece intended to put into effect the assurances so many times given the American Minister, and that did the trick. Insull saw the writing on the wall, and fled.

If our Department of State had not taken the attitude it did, and anything but unofficial pressure had been exerted, the touchy Greek character would certainly have prevented our ever getting Insull out. We never bullied or threatened, and so far as "commercial reprisals" were concerned, we increased the Greek liquor quota at this time five hundred percent! I myself was particularly careful never to appear to push or demand. I indeed supplied much material to the political opposition wherewith to interpellate the Government, but arranged matters so that my part was not known. Similarly in communicating with the Government, it was all unofficial "in the interests of Greece which I had so much at heart." Thus I can report to you truly that in the entire course of this long-drawn out and delicate affair, there arose not the slightest unpleasantness in official relations to hamper the usefulness of this Legation in aiding and protecting American interests. In fact, I feel that we are now better friends than ever. . . .

¹ Roosevelt's letters to MacVeagh reveal no interest in the Insull case. When MacVeagh sent him the text of the Greek court decisions the President simply replied that the matter belonged "under the title '*curiosa*.'" Roosevelt letter to MacVeagh, January 16, 1934, PPF, File 1192. And on April 19, 1934 he wrote to MacVeagh: "You must be glad to be rid of that old man of the sea, Mr. Insull. . . ." Roosevelt letter to MacVeagh, April 19, 1934, PPF, File 1192.

MacVeagh concluded:

I pinch myself sometimes to make sure I am not dreaming, and I shudder when I think what might have happened had the man been even half-way human and given a modicum of the money he spent on his camp-followers to the needy and the sick. The Greeks love a benefactor, and Insull missed the best trick of all by not becoming one. As it was, he got a lot of sympathy. (5)

Ever since it had gained its independence from the Ottoman Empire, the Greek state had been forced to rely for its existence upon loans from abroad. Meager land resources and low productivity, a perennially unfavorable balance of trade, costly wars, and the recent social reforms and resettlement of refugees from Asia Minor had kept the national debt growing. The Depression had aggravated the situation enormously by sharply reducing the national income. By 1929, the public debt had reached \$100 per capita, which was more than the average per capita income of Greeks. Ten years later, that debt had become \$630 million, with almost ten percent of the national income having to go toward its payment. In 1932, Greece had defaulted on the interest payments on certain portions of its foreign debt, in a manner which appeared to discriminate against the United States. In the ensuing diplomatic exchanges, the Greek Government attempted to link its failure to service its debt to the suspension of war reparations, of which Greece had been a recipient. The Department of State vigorously rejected such an explanation, and directed MacVeagh in Athens to press the Greek Government to honor its obligations. (6) Roosevelt's letter of January 16, 1934, mentioned above, seeking MacVeagh's advice on the question of Greece's ability to resume full payments, had been part of the same effort.

In his long reply to Roosevelt, dated February 12, 1934, MacVeagh showed that he understood the intricacies of the vexing problem and could see both sides of the case. He argued that the question of Greece's ability to pay more on her foreign debt had to be viewed not merely from an economic but from a political standpoint as well. He offered considerable evidence suggesting that business conditions in Greece had been improving steadily in the last several years, despite the drachma's devaluation to forty-three percent of its 1931 gold parity, and even though "current revenues of the central government absorb nearly a quarter of the national income without providing for more than a fraction of the service of the public debt, and can hardly be increased." Therefore, "from a purely economic standpoint there appears to be no reason why Greece should not make substantially larger debt payments to the United States Government during 1934 than in the preceding two years." However,

this was only part of the picture: "the political factors are less encouraging":

Since the first Greek loan was floated abroad 101 years ago, this country has periodically increased its foreign indebtedness. Maturing obligations were normally met by additional borrowing, and there was apparently little thought that Greece should ever attempt an actual reduction of its foreign debt. The habit of a century is difficult to break. Greece was for generations a pawn of the Great Powers, and it is not surprising that a general feeling still exists in this country that the world owes Greece a living. When new foreign loans were not available, as at present, Greece played poor and complained of the enormity of its debt burden, as though the latter had never been assumed voluntarily. Whatever the purely economic aspects, the fact remains that any Greek Government which attempted too sudden a reversal of these established policies would scarcely remain long in power.

Reminding the President that Greece "has been for years the largest market in American agricultural and manufactured products in the Balkans and the Near East," he pointed out that American economic interests in that country were substantial, far exceeding the value of the Greek debt to the United States. "Summing up," he concluded, "in answer to your question I would say that Greece has the financial and economic ability to pay us more than she is doing right now, and would probably be able to increase the payments in the future as her condition improves, but that it is highly unlikely that any Greek Government would dare in the face of Greece's other engagements and the temper of her people, which is that of Europe at large, to make any serious attempt to live up to this particular obligation." MacVeagh recommended, therefore, a "fixed settlement in guaranteed cash payments to a greatly reduced total, perhaps based on the true value of the debt today, plus trade advantages which a popular government could accord in return for the maintenance of its credit without flying in the face of the general European prejudice against 'Uncle Shylock'." (7)

Several weeks later, inspired by Roosevelt's unfolding economic measures of the "New Deal," MacVeagh wrote again, offering Greece's "planned economy" as a model from which other countries, perhaps including the United States, might benefit:

Personal

Athens, March 2, 1934

Dear Franklin:

It occurs to me that the following may interest you in connection with your vast program of reconstruction in the United States.

Greece is a small country. Economic experiments here have not the importance of those at home, but just because the country is so small the time-element does not figure so largely and results can be tabulated with comparative promptness. From the American point of view, therefore, the experience of Greece which I am about to discuss may appear as a kind of laboratory experiment, but one which has some bearings upon our larger problems.

We have had in Greece for the past year an example of a country operating almost completely under the principles of a planned economy. The plans and their coordination are of course simpler than with us, but the principle remains the same. Economic and financial enterprise has been subjected to governmental regulation to a degree which has been described by the Bank of Athens as "detrimental to the principle of the freedom of commerce." Yet, on the whole, increased prosperity and national satisfaction have been the result.

By governmental action resulting in the establishment of confidence, the flight of capital from the country has in great part been arrested, and with certain vital exceptions, the importation of foreign articles has been subjected to a vigorous control under a quota system. Clearing agreements, obviating the use of currency in foreign commercial transactions, have been concluded with nearly all the countries regularly and largely trading with Greece. In addition, the great impulsion to domestic manufacture resulting from restrictions on imports has been controlled by a law which prohibits the introduction into the country of machines and industrial tools except under special permission from the Ministry of National Economy. Exports, as well as imports, are now carefully supervised and the production of wheat, which has never been sufficient for the needs of the nation, has been fostered even to the point of a guarantee by the government to purchase any and all stocks remaining on the cultivators' hands. The payment of commercial debts to foreigners, both in foreign exchange and in drachmas, has been drastically regulated, and the sums paid on the foreign governmental debts skillfully reduced to a minimum consonant with the preservation of a national credit-standing at least as high as that of most European States. Altogether, the government has worked swiftly and tirelessly in a coordinated effort to strengthen the economic life within the country; to guide, as well as foster, home manufactures; to diminish as far as safety allows the outflow of exchange; and to bring price levels to a parity with those of the world at large. This last aim should, if realized, eventually make possible the full resumption

of payments on the foreign and internal debt, with the consequent renewal of the normal flow of capital.

What has been the result of such interference by the State with the course of free, individualistic competition? The gold reserves of the Bank of Greece have increased to a remarkable degree. Foreign commercial debts have been in large part liquidated. Maritime tonnage laid up has decreased by more than 50%. Average quotations on stocks and bonds have risen considerably and price levels on domestic products have been maintained as against falling prices on imported articles. In addition, owing only partly to meteorological conditions, the wheat crop has taken a great step forward and promises this year to maintain its progress.

The operation of a planned economy such as Greece has never known has thus, beyond any question of doubt, proved itself a material success in one short year. But what of its political and social effects? Greece is in many ways a more individualistic country than the United States. Every man here sincerely thinks himself at least as good as his neighbor. Politics veer and change with the wind. But all signs point to the present policy of national economy being more truly national than any policy in Greek statecraft that I have heard of. No party is shooting at it. Its benefits are too obvious even for the marksmen of the café-table. Looked at from a social angle, therefore, it may be regarded as a national unifier, and for the political party which put it into effect a tremendous advantage.

Leaving aside possible dangers from other aspects of the situation here, which have largely to do with Greece's political history and are emotionally involved, I believe that the more recent experience of Greece demonstrates pretty clearly the efficacy of a planned economy in difficult times, and its acceptability to people of democratic tendencies. In spite of the fact that our problems are vaster, this may seem to you, as it does to me, good news.

Sincerely yours,
Lincoln MacVeagh (8)

Whatever the merits of Greece's "planned economy"² as a model for reconstruction, its side effects were clearly detrimental to American trade, because the Athens government would permit imports only if payment could be made by the export of Greek products. This barter policy, coupled with a strict import license system, amounted to a virtual embargo

² Apparently unimpressed, Roosevelt had responded that he was "delighted to know that Greece seems to be getting on so well through what might be called a planned economy." Roosevelt letter to MacVeagh, April 19, 1934, PPF, File 1192.

on American goods,³ and MacVeagh missed no opportunity to voice his complaint to Greek officialdom. "Would it not be wise," he wrote Foreign Minister Maximos on May 21, 1934, "to encourage imports from America rather than discourage them, as Greece is doing under the barter system? I need not stress the advantages in our depreciated currency, but I can truthfully say that if Greece would only take a helpful attitude toward our trade with her, there is practically no limit to the expansion of her possible trade with us, for the United States is the largest potential market for Greek products in the world." (9) But although promises to review the matter were dutifully made, no change in the situation appeared to be forthcoming, as the Greeks remained preoccupied with their own economic and financial problems. MacVeagh reminded his superiors (on June 26) that the 1924 *modus vivendi*, under which Greece had pledged most-favored-nation treatment to American products, had been signed by men who were now out of power, adding: "It is a Greek tendency to forget what is inconvenient, and this tendency is only strengthened when what is inconvenient is the work of political opponents. . . ." He thought that a tougher stand was called for:

Finally, it is not to be imagined that the Greek Government is unaware of the tariff powers recently vested in the American Executive, and the present moment would therefore seem a favorable one to elicit a statement from Greece as to her considered attitude toward American trade. To bring her to a fully conscious and perhaps anxious realization of what she may be risking by her present policy, or lack of it, toward our imports, would seem likely to do more to correct the evils from which we suffer than any amount of protests against particular instances of discrimination. (10)

And to Roosevelt, on August 6, 1934:

I have . . . been working my hardest, both with the Department and the Greek Government, to get our position rectified. To the Greek Government, aside from the individual cases in which I have been called upon to protest, I have pointed out that our balance of trade is now so favorable to Greece that restrictions on our imports cannot economically be justified. I have won here a partial victory, in so far as bids for Government contracts will now be accepted from American firms without the restrictions hitherto enforced. The British, whose trade balance is not so clearly

³ American products most affected by Greek import practices included machinery of all kinds, iron, steel, oil, and automobiles.

favorable, have not yet won such a concession. But in private business there is still the need of constant official protest against discrimination, and our trade is being discouraged and our customers disheartened by all sorts of regulations which countries having recent trade agreements with Greece do not have to contend with. . . . My despatches on this subject to the Department of State therefore always end on the same note, like the speeches of Cato. The Greeks, into whose country we now pour some \$25,000,000 more per annum than we get out of it, should, I believe, be made to face the loss of some of this or play the game. A commercial treaty with them was in the cards some time ago but was dropped. I believe the idea should be revived, and that the men who are now handling Greek affairs should no longer be merely called to book from time to time on the basis of letters exchanged in 1924, but should be made to undertake and carry out such explicit arrangements in regard to our trade as we feel to be consonant with the fact that America does more than any other nation today to keep the Greek people alive. I do not mean to imply that there is anything anti-American in the Greek attitude. On the contrary, I think we are rather specially liked, if not by all the ruling or upper class at least by the nation at large, and we get along famously, all things considered. But so long as other nations actively foster their trade while we only protect ours, they can be expected to get the lion's share. I am therefore hoping to see us snap into the game more vigorously. (11)

Responding to this prodding, Washington authorized its Legation in Athens to begin preliminary talks for the negotiation of a new reciprocal trade agreement. It was to prove a most frustrating experience. Burdened with a weak economy, and absorbed in Europe's power alignments, Greece was less than anxious to accommodate American commercial interests.

Throughout the 1930s, American concerns in Greece were mainly commercial and financial, and this is reflected in the work of the Legation in Athens. Yet MacVeagh's natural interest in political affairs is clearly evident in his own reporting. Within weeks of his arrival in the Greek capital, he was at work on what was to become a steady stream of despatches, usually entitled "The Political Situation in Greece," interspersed with personal letters to the President. His observations suggest an impressive grasp of his subject, good contacts in and out of government, and a mild dislike for the aging Venizelos. Thus, reviewing developments since the attempt on Venizelos' life, he observed on December 14, 1933, that the government of Prime Minister Tsaldaris had been successful in consolidating its position, and that Venizelos had "over-reached badly" when he attacked the government as a "band of brigands who should be extermi-

nated . . . Messrs. Tsaldaris, Maximos, Loverdos⁴ and the other prominent members of the Government," MacVeagh concluded, "are anything but rapacious cut-throats, and they are not even cut-purses. All the world in Greece knows it." (12)

In the field of foreign policy, the dominant issue was the recently concluded Balkan Pact and its possible consequences for Greece's international position. In September 1933, following a diplomatic feeler from Ankara, Greece and Turkey had signed a treaty mutually guaranteeing their common frontier in Thrace, and promising continuous consultation on all matters of mutual interest. Significantly, sea boundaries were excluded from the treaty's provisions at the request of the government in Athens, which feared that Mussolini would regard any such cooperation in naval matters as a threat to the Dodecanese and to Italian influence in the Eastern Mediterranean generally. However, the pact appeared to cover the possibility of an attack upon the guaranteed frontier by a Balkan neighbor assisted by a Great Power. Invitations were extended to other Balkan states to adhere to the agreement, and to turn it into a regional pact of sanctified frontiers, cooperation, and mutual defense. On February 9, 1934, the original signatories were joined by Rumania and Yugoslavia (already members of the "Little Entente") in formally creating the Balkan Pact. A "secret protocol," which became common knowledge in a matter of days, guaranteed existing boundaries and attempted to define the circumstances under which the military aspects of the Pact would be activated. In rather vague terms, the protocol stipulated that in the event of aggression by a non-Balkan Power, in which a Balkan state also took part, the Pact would apply only against the Balkan aggressor. Although Bulgaria was repeatedly invited to join, there was no surprise when the government of King Boris refused: with important grievances and territorial claims in Macedonia and elsewhere, Bulgaria was in no mood to recognize the region's *status quo*. Thus, whether this effect was intended or not, the Pact appeared to encircle Bulgaria, which naturally looked for allies among Europe's revisionist Powers.

This diplomatic activity created great excitement in Athens. While there could be no objection to the improvement of relations implicit in the Pact, there were loud expressions of fear that Greece might become embroiled in foreign quarrels (particularly between Italy and Yugoslavia over Albania), and that the new accord would incur Mussolini's wrath. Venizelos, whose prestige in foreign affairs remained a formidable factor at home and abroad, led the Opposition in attacking the Pact as disastrous for Greece. In and out of parliament he argued forcefully against

⁴ Spyros Loverdos, prominent banker, and Minister of the Economy.

ratification, unless the arrangement had received the blessings of Britain, France, Italy, and the Soviet Union, and only if Bulgaria also joined. The strategic aspects of the debate were accentuated by Metaxas, who resigned from the government, and warned of dire consequences in the event that Greece were called upon to honor her new military commitments. Faced with almost solid opposition, the government finally gave in. To the ratification instrument a formal "reservation" was attached by Maximos (the text was actually drafted by Venizelos), declaring that under no circumstances would Greece be drawn into war against a European Power. At the same time Maximos attempted to reassure the other three signatories that his government was in fact accepting both the treaty and the protocol. The resulting confusion was to poison the atmosphere in the Balkans throughout the 1930s, as each interested party gave its own interpretation of the pact. Moreover, the old Cretan was all too anxious to exploit the government's embarrassment to further his own narrow political interests. Thus, "while the Pact continues to be the major issue in the local as well as in the foreign field of Greek politics," MacVeagh commented for the Department on April 11, 1934, "Venizelos appears to have the benefit of a clear-cut issue while the Government, on account of the dilemma created by its exterior commitments and the Opposition's moves, flounders in contradictions. It still seems possible that Bulgaria may join the concert of Balkan nations, perhaps by the back door, but Greek opinion apparently is satisfied that peace in this region is now sufficiently secured, excluding the possibility of an upset caused from without, and the eyes of the country are once more focused on the internal situation. Venizelism is thus itself again, and little is now heard of the 'attempt' and the personal rancors which, masquerading so long as political issues, made Venizelos seem *passé*." (13)

In a personal letter to the President, dated May 9, 1934, MacVeagh concentrated on the broader features of the Balkan Pact:

Briefly, it represents a consecration in this part of the world of France's policy of non-revisionism, and a virtual extension and reinforcement of the Little Entente. It draws an iron ring around Germany's old ally, Bulgaria. It ties Greece and Turkey into the Central and Western European tangle, and, as Venizelos has not failed to note, removes Greece from her natural Mediterranean grouping with Italy, if indeed it does not actually commit Greece to fight Italy should the latter move against Yugoslavia through Albania. The immediate reasons which led Greece into the Pact have largely to do with her fears of the Slavic peoples on her Northern frontier, and that she is determined to put teeth into it is evidenced by the mission she has just sent to Ankara, consisting of the Minister of War, the Chief of Staff, and a high official of the Foreign Office. The four

Powers signatory to the Pact are now reported as planning to adopt a common standard of military equipment including guns and ammunition, so as to simplify supply problems in case of war. The Pact has indeed the support of the strong local Balkans-for-the-Balkans sentiment, but it is essentially an extension of the great French armed camp in Eastern Europe down into the Aegean and across the Dardanelles, for whatever this may mean in the ultimate lineup of European forces. Thus, while it would certainly be a guarantee of peace in the Balkans if the Balkans only were involved, its implications outside the Balkans make the Pact really another step in the progressive enlargement of the theatre of possible war. (14)

Several months later, again writing to Roosevelt (August 6, 1934), he was pointing to gathering clouds:

Europe seems more and more clearly to be divided into two armed or arming camps—the French and the German—and this fact is perhaps nowhere more apparent than in this Balkan region where international intrigue habitually blooms in all its luxuriance. During the winter and spring, most of the Balkan nations joined the French groupment, causing considerable excitement here and much speculation. In Greece, the Balkan Pact was severely criticized by the local Opposition. The attitude of both England and Italy towards Near Eastern problems was then uncertain. But the events of the summer brought about a decided change. The French entente with Russia greatly strengthened those who saw security in the French camp, and the skillful maneuverings of M. Barthou⁵ in relation to his proposed “Eastern Locarno” did perhaps as much, in its way, to the same effect. Then the murder of Dollfuss⁶ and the bringing of England and Italy, particularly Italy, into sharp conflict with Nazi ambitions, has put what seems like the quietus on the critics of the policy of the Greek Government in throwing in its lot with the French. It has shown how definitely the other great European powers are opposed to Germany’s first serious attempt to upset the *status quo*. Revisionist Italy has had troops concentrated on the border, ready to move to the defense of Austrian independence, and the British Minister here told me, only the other day, that after the murder of Dollfuss he expected nothing less than the concentration of the English Mediterranean fleet, part of which now lies in the harbor of Athens. There is now undoubtedly a general feeling here that Greece has taken her proper place in the balance of

⁵ Louis Barthou, French Minister for Foreign Affairs.

⁶ Dr. Engelbert Dollfuss, Austrian Chancellor, was murdered on July 25, 1934, by a band of Nazis in Vienna.

power which everyone believes is the only guarantee of peace. There are no pacifists in the Balkans.

While the international ferment is now less active than hitherto in this region, there is some uneasiness felt over Germany's political course of action now that Hindenburg's⁷ steadying hand is removed. Herr Goering's⁸ recent visit here, during which he made a considerable show of his Prussian personality, has done little to allay this feeling. The Greek Foreign Minister told me after his last visit to Geneva, that he did not expect war in Europe except as the result of the action of some madman. Mussolini recently took a very dangerous step in sending his fleet unannounced into the harbor of Durazzo. The immediate cause was apparently of no great importance, but the consequences might have entailed a general conflagration. Mussolini, however, controls even his wildest actions. He sees and forsees and there is a general impression that he has method in his madness. But this cannot yet be said of Hitler. Indeed, I have no doubt that M. Maximos's remark reflects the attitude of his Turkish, Rumanian and Yugoslavian colleagues, as well as his own, and refers chiefly to the German Chancellor. Certainly the nations of the Near East can now be regarded as fearing more than anything else some inflammatory action on Germany's part. The vexed Macedonian problem is still with us. But a determined effort is being made by the new Bulgarian government to deal firmly with this dangerous question. Furthermore Greece has shown the strength of her good will toward Turkey by acquiescing gracefully in the expulsion of more Greeks from Istanbul, and there seems to be nothing to fear at present at the Bosphorus, Salonica, the Dodecanese or Albania—the chief danger spots of this region. All eyes are on the West. (15)

Predictably, in Athens, preoccupation with international issues very soon gave way to partisan politics. In mid-July 1934, MacVeagh was reporting that “. . . with the advent of the hot weather the political situation in Greece, which seemingly has been approaching a solution, violent or otherwise, during the past two months, now appears likely to remain in suspension until September. Until that time M. Venizelos, the leader of the Opposition, is expected to remain in foreign parts. . . .” With the Balkan Pact no longer a burning domestic issue, “The struggle between the Government and the Opposition now centers around the following two questions: first, the desire of the Government to promote certain

⁷ Marshal Paul von Hindenburg, President of Germany, died on August 2, 1934. He was succeeded in the presidency by Adolf Hitler, who preferred the title *Der Führer*.

⁸ Hermann Goering, Nazi leader, member of Hitler's cabinet without portfolio, Germany's economic dictator after October 1936.

army officers who lost their seniority at the time of the Venizelist triumph in the Great War, and second, the proposition put forward by the Government to revise the electoral law in such a way as to secure certain advantages to itself in case of national elections. Incidental to the latter, the question of selecting a successor to M. Zaimis in the office of President of the Republic has taken on a certain importance." For the time being, the government's control of the national assembly (Vouli) was being maintained through "the precarious method of throwing occasional sophs to the allied parties of General Kondylis and M. Metaxas, aided, no doubt, by the fact that these two gentlemen, as well as others connected with the present regime, go in some natural personal fear of a return of M. Venizelos to power." (16)

In September, with elections apparently not forthcoming, MacVeagh reported that Venizelos had returned from abroad, and that "the political ferment is again working furiously in Athens. . . ." Moreover, "during the long absence of the leader of the Opposition, his friends have so advertised the possibility of his standing for the Presidency himself, that what was early this summer a side issue is now a major and a burning one." To block such a development, Prime Minister Tsaldaris was hard at work promoting the re-election of President Zaimis, and doing everything possible to postpone indefinitely the parliamentary elections which, if won by the Venizelists, would provide them with enough strength in both Houses to give Venizelos the Presidency. At the same time, despite the usual rumors that General Kondylis, Tsaldaris' Minister of War, harbored personal political ambitions, MacVeagh observed that "the general feeling seems to be that that strange pair of bed-fellows, Tsaldaris and Kondylis, will not divorce at present, since the General is not strong enough to face the country alone and the Premier, in his mildness, needs just such an iron confederate to face the constant, if perhaps diminishing, threat of a Venizelist military coup. At the same time it is obvious that the Premier is watching his Minister of War very carefully. The control of the Athens constabulary was recently shifted from the War Ministry to that of the Interior. . . ." He concluded: "I have a feeling that the present political situation possibly hides a depth of intrigue unusual even in Greek history." (17)

While the formidable figure of Venizelos continued to dominate the political scene in the capital, MacVeagh's periodic analyses began to indicate that, beneath the surface, the Venizelist forces were seriously weakened. Anxious to obtain a change in the nation's election law, and increasingly unhappy with their leader's high-handed tactics, several leaders of the Liberal Party, including the respected Papanastasiou, quietly approached Tsaldaris seeking an accommodation. As a result, Venizelos' chances for the Presidency soon evaporated, and in October 1934, Zaimis

was elected for another five-year term. The move signified a resounding victory for the Populists and the beginning of the end of presidential democracy: Zaimis was too old and indecisive to stand in the way of the monarchy's restoration, which growing numbers of Populists, royalists and anti-Venizelists openly advocated. Zaimis' re-election naturally enraged Venizelos, who withdrew to his native Crete, and in a series of bold editorials launched a shrill attack upon his enemies, real or imaginary. He accused Tsaldaris and the Populists of bringing the country to the brink of civil war through repression, and in a celebrated open letter to a supporter wrote: "If those now ruling Greece continue to think, as they declare, that their rule constitutes a state of things which must not be overturned by constitutional means, their violent overthrow will become an inevitable necessity, and then General Plastiras will be recognized by all as the avenger indicated. I know that several members of the National Coalition think that the tactics up to now pursued by those in power have rendered the necessity of General Plastiras' intervention inescapable. But I continue to entertain the hope, though this hope becomes weaker day by day, that the necessity of an avenger may yet be avoided." Reporting the matter to the Department MacVeagh characterized this outburst as "by all odds the most ominous pronouncement publicly made by the Cretan statesman since he fell from power two years ago," and concluded:

It is so threatening that one wonders whether, as I have already suggested several times to the Department, Mr. Venizelos is not losing that sense of realities which guides successful statesmen and has served him, himself, so notably. After his defeat in the Presidential election by perfectly constitutional means, his remarks do not even possess the plausibility of well-founded complaints, and with his National Coalition none too strongly united after the break in its front, this talk of vengeance over a constitutional question which his defeat has temporarily relegated to the background seems fantastic compared with the actualities of improved economic and fiscal conditions on which the Government is consolidating its strength. . . . (18)

The American Minister's reference to an improvement of economic conditions favoring Tsaldaris' Populist government was based on a careful study of developments across the country, especially in the northern provinces of Macedonia and Thrace, traditional strongholds of Venizelism. With the aid of the Legation's First Secretary and Consul General, Leland B. Morris, MacVeagh reported on October 18, 1934:

The climate for the past two years has facilitated record crops in those regions, and Mr. Theotokis, the Minister of Agriculture, has turned out

to be not far behind Jupiter Pluvius himself in securing the resulting benefits to the peasants. This year the Government, with of course the now postponed elections in view, has been buying wheat widely at a good price for cash. Gone for the time being has been the old and still expected method of payment in little cash and much paper. A wave of prosperity has swept over the land causing the people to talk once more of pre-war conditions. . . . In the Salonica region, and between Drama and Kavalla, road building is again in evidence. Employment as well as agriculture shows a gain, and everywhere there is a lack of sympathy with the Cretan's present attempts to upset a regime so beneficial to the land.

MacVeagh concluded:

Of course what the Government has been doing for the electorate in Northern Greece has been done under political constraint, and is tainted through and through with opportunism. Apparently the time is yet to come when a Greek Government will think and act in relation to the welfare of the entire State. But, though the present government's efforts to please the Northern provinces may be short-lived, and for immediate purposes only, they may bring about a weakening in the Opposition which will orient the course of Greek politics away from the history of old men who cannot forget their past, and so confer a lasting benefit on the country at large. (19)

In the fall of 1934, while political feuding in the capital continued unabated, MacVeagh took advantage of his first official vacation to travel about in Greece. He also visited Turkey, whose efforts at modernization he was anxious to observe at first hand. The family had recently been joined by fourteen-year-old Eleanor Roosevelt, daughter of G. Hall ("Smouch") Roosevelt and niece of the First Lady. As the holiday season approached, he wrote to the President once more, combining personal news with political reporting:

Athens, December 4, 1934

Dear Franklin:

Christmas wishes will be crowding in upon you and Eleanor by the thousands but a few more, husky enough to reach you in good condition from the other side of the world, can't do you any harm. We all send them, including little Eleanor, who, I am glad to say, has come through her operation very well, and certainly seems a happier and stronger child than before the acute attack which made it necessary.

I am just now taking a vacation, but my address, as you see, is un-

changed. We hope to get back home for a vacation next summer, but in the meantime it seems best to use this past year's leave to do and see things in the immediate neighborhood which we have no time for when we are actually "en poste." This idea, however, seems to be so unheard of that the Greek press has taken it up as news, and everyone seems to have read that the American Minister is devoting his precious leave not to going to Paris but to studying Greece! In enjoying ourselves we flatter our hosts, and thus seem to be killing two birds with one stone.

Last week we sailed over to Smyrna on an American Export boat and spent two days there, driving up country to Bergama—ancient Pergamon—and calling on the Consul and the Governor. With our trip to the Dardanelles last Spring, we have now seen a goodly strip of the Asia Minor coast. Here in Greece we hear a great deal about the new Turkey, whose friendship means so much to this country at present. I have the official view of Turkish progress and achievement pretty well by heart. But though the vigor of the Government and the wealth of the land itself seems undeniable, the human material which the Government has to work with is very disappointing to the observer. A huge effort like that of Mussolini, or of Hitler, is being made to construct a great State on the occidental plan, and the population consists of orientals from whom their religion, the only thing that ever galvanized them into action, is taken away! It is a commonplace to remark on the fact that the immemorial businessmen of Turkey have been driven out—the Greeks, the Armenians and the Jews. What I have wanted to see is how the Turks are getting along with only themselves as substitutes. Apparently they have taken to the new bureaucracy like ducks to water. They are a governing race. But now they must do the work of the country as well, and the people's poverty and ignorance are appalling. Taxes are terribly high, and paid because it is the will of those higher up, not because the necessity for them is understood. In Greece every person thinks too much about affairs, so that politics are always in a turmoil. But at least the population as a whole is vitally responsive to ideas. It can be appealed to, as any Western people can be. But, with orientals of the dull psychological type of the Turkish peasantry, to try to make a modern organized State seems very like trying to make bricks without straw. I was very much impressed by the peasants I talked with who were refugees from Macedonia. They all longed to get back even to that unhappy region from a country where they can call neither piastres nor souls their own. As I wrote to Smouch the other day, I wonder whether the New Turkey, the product of the Great War, will not easily dissolve away in any new general conflagration. Or perhaps a recrudescence of Mohammedanism, when the present strong-willed rulers disappear, will do the trick. Certainly when we got to the Greek island of Samos, across a narrow strait from Asia Minor,

we sensed a great difference at once. It was the difference between a small people of high vitality and a huge depressed population. The vitality of Turkey is concentrated in the head. In Greece it quivers in every limb of every Greek that breathes. Differences like this are not to be observed in the rooms and corridors of Foreign Offices. But they inevitably influence international affairs in the long run. In talking with the island Greeks who are near to her [Turkey], I find less confidence in Turkey as the Greek rock of defence than is expressed here in Athens. Those long-suffering people doubtless know that by taking a fez off a leopard one does not change his spots. East is East and West is West, and the line still runs where it always has. I am very fond of the upper-class Turks I have met and sympathetic with their problems. But to understand, one must get down to humble realities, and one cannot go about in Turkey without gaining the impression that its future is a huge question-mark.

Meanwhile the international situation in the Near East is very strongly affected by the Greco-Turkish *rapprochement*, however formal or temporary this may be. The Balkan Entente, of which it is the keystone, was further elaborated, along economic lines, at Ankara this fall. As the Balkan Pact stands for non-revision of the Treaties, Bulgaria still refuses to join, but the idea of Balkan solidarity has received such stimulus that in one way or another Bulgaria may yet find a way to take her place beside the others in a regional groupment embracing the entire peninsula. The League of Nations, too, is very useful in this part of the world. By settling the Rhodope Forest dispute,⁹ it has opened the way to the composition of other long-standing difficulties between Greece and Bulgaria, and a nasty argument now going on with Albania over the schooling of the Greek minority is also being referred to Geneva.

Greece, like most other countries, was frightened by the assassination of King Alexander,¹⁰ and is watchfully waiting for the League to conjure the dangers inherent in the tempers of Yugoslavia and Hungary. Actually, and for the time being, M. Barthou's death was of more consequence here, however. He had become the active soul of the system in which Greece placed herself, at least with one foot, when she signed the Balkan Pact with two nations of the Petite Entente. The success of the Germans in Poland, and the impression which this created in Rumania (though Titulescu¹¹ made a quick recovery) has somewhat shaken the Greek

⁹ On May 6, 1932, a decision of the Permanent Court of International Justice had settled the issue of Bulgaria's compensation to Greece for certain areas in the Rhodope Mountains which had been seized by Bulgaria.

¹⁰ On October 9, 1934, King Alexander of Yugoslavia and French Foreign Minister Barthou were assassinated at Marseilles by a Macedonian revolutionary with Hungarian connections. Peter II (born 1923) succeeded to the throne, with Prince Paul, cousin of the murdered King, serving as Regent.

¹¹ Nicholas Titulescu, Rumanian Minister for Foreign Affairs.

faith. On the other hand, the Russian *rapprochement* with France, which was the answer to Poland's defection, means much to Greece on account of the importance of Russia to Turkey, and meanwhile she waits to see what Laval¹² can do in Barthou's shoes with Italy. Indeed, Greece is so completely vulnerable from every side that she literally must have friends. The old game of the balance of power is being played all over again in Europe today, and Greece's hesitations and fears supply a watcher in Athens with an almost daily record of how it progresses. When the next war comes, I believe she will do her best to repeat her accidental success of 1917-18, and stay out till it is perfectly clear which bandwagon she ought to jump on. In this sense, her foreign policy at present is perhaps nearer that of England than of any other power. The eventual actions of these two depend on so many variables as to be practically impossible of prediction.

Internally, M. Venizelos almost forced the Government to go to the people a few weeks ago, but his lines gave way, and when seventeen of his senators went over to the other side, the jig was up for the moment. The Popular (Royalist) party is now even more securely in the saddle, and continues to pursue its policy of economic and fiscal retrenchment, and of temporizing on every controversial issue. Our trade with Greece is growing in spite of the difficulties in its path, and I have awakened the Foreign Minister's interest in our new tariff policy, so that the way is prepared for approaching a commercial treaty should our authorities think one desirable at any time. Financially, the Government's position goes on improving, and Greece has lived up to the agreement made last year with her foreign bond-holders to pay a percentage of the interest due. We have shared in these payments, though Greece in principle still maintains that our Refugee Loan of 1929 is really a war-loan, and her position on war-loans remains unchanged.

I hope I have not written too much about what are, naturally, vitally interesting topics to me. Greece is still beautiful, and I need say nothing about that. Senator Joe Robinson, who seemed to enjoy it, can tell you what it's like. Senator Tom Connally, too, drove about with us a bit, and Representative Cochran, a very likeable Republican, from my ancestral State of Pennsylvania. You will have seen a lot in the American papers about the marriage of Princess Marina of Greece to the Duke of Kent. There is some sentiment, or sentimentality, about that here too. But almost fifty percent of the population of Greece would emphasize to any inquirer that the Princess has no Greek blood and no Greek passport. M. Papanastasiou, Ex-Premier and so-called "Father of the Republic"

¹² Pierre Laval, Prime Minister of France.

(Mr. Morgenthau, Senior,¹³ knows him well), told me: "the English Prince would have had far better chance of becoming King of Greece if he had not married that Princess," and intimated that he had no chance at all, anyway. Royalist propaganda is noticeably absent. But, of course, Greek politics shift so quickly that it may spring up tomorrow. (One has to qualify every statement or prediction involving Greeks.)

The results of the elections at home were tremendously encouraging. Smouch ends a letter with a post-script: "These *are* times!" They certainly seem to be, and I'm glad they are times in which you are the boss.

Affectionately yours,

Lincoln MacVeagh

P.S. Your welcome letter of Christmas and New Year's greetings to the Foreign Service has just arrived, in good time for me to relay it on to everyone. (20)

Venizelos' polemics against the Tsaldaris Government, and his thinly veiled threats to resort to force, were no empty rhetoric. Rather, they were designed to create the right psychological climate for drastic action, to be justified as necessary to rescue the Republic from its "reactionary" Populist foes. Underneath the harangue, a plot was being hatched for another Venizelist coup. And when it came, on March 1, 1935, it was not merely one more attempt to seize power by force of arms. Although crushed in less than two weeks, the March 1935 revolt proved to be a momentous turning point in the country's modern history. It completely wrecked the republican forces, and gave their opponents a vitality and unity of purpose which they would not have generated on their own. It unleashed a thorough purge of Venizelists, and republicans generally, from all positions of influence, thus transforming the character of governmental institutions at all levels. It led directly to the Metaxas dictatorship of the following year, and through that regime to the ultimate destruction of the democratic process. Moreover, despite its vigorous presentation as a desperate, last-minute struggle to save the republican form of government, the 1935 revolt had little real ideological foundation. In the words of a competent Greek historian, the revolt represented "the last eruption of El. Venizelos' volcanic temperament, an eruption caused not by any anxiety for the entire political system or for the fate of his followers, but for his own person." (21)

In terse telegrams, the American Legation reported the unfolding of

¹³ Henry Morgenthau, former U.S. Ambassador to Turkey, had served as Chairman of the Greek Refugee Settlement Commission following the Greek-Turkish exchange of populations in 1923.

these violent events. Then, on March 13, 1935, still unaware of Venizelos' personal complicity in the revolt, MacVeagh gave a detailed account by despatch:

The movement appears to have been planned with the utmost secrecy, governmental, diplomatic, and financial circles alike being taken completely by surprise. As I have already informed the Department, Mr. Venizelos, the Chief of the Opposition leaders, had for some time past, been talking openly of "vengeance," and accusing the government of unconstitutional actions. Also the Minister of War had been "purging" the army of Venizelist elements, while other ultra-conservative opponents of Mr. Venizelos had been making efforts to force the Premier to alter his moderate attitude. But, on the other hand, Senatorial elections had been announced for April, at which time the Opposition would have a chance to demonstrate its strength with the country, and the Government had at last brought to trial the persons accused of the infamous attempt of 1933 on the life of Mr. Venizelos. Thus truce, if not peace, seemed to be the order of the day. It is true that on March 1st, Mr. Papanastasiou, the so-called "Father of the Republic," issued a call to citizens to resort to arms, alleging that General Kondylis had sold himself to the Royalists. But the question of Royalism vs. Republicanism, so dear to Mr. Papanastasiou, has long been a dormant issue in comparison with Venizelism vs. anti-Venizelism, and Mr. Papanastasiou's manifesto assumed importance only in the light of what followed. It does not seem likely that he was informed of the impending *coup*.

As he was boarding the train for Salonica, to attend a Republican meeting, Mr. Papanastasiou was, however, arrested. This was about 8 p.m. on the evening of March 1st. It appears that the Premier had just been informed that a revolutionary movement was on foot and precautions were being taken to meet it. The Minister of War, General Kondylis, at once summoned the Garrison of Athens to quarters by firing the gun on the hill of Lycabettus at regular intervals—an agreed-on signal. Admiral Hadjikyriakos, the Minister of Marine, called up the Naval Base on the 'phone. Almost immediately a serious situation developed near the Acropolis where half of the crack Evzone regiment was quartered. These and some groups of officers and cadets in two military schools, located in another and outlying quarter of town, had, it seemed, openly revolted. The trouble in the schools was soon over. But against the Evzones, who shot their Colonel when he demanded their surrender, General Kondylis found it advisable to mass overwhelming forces, calling out machine guns, light artillery, tanks, cavalry and infantry. The barracks were then shelled by light guns placed in front of the Odeon of Herodes Atticus and in the precinct of Olympian Zeus, near the Arch of Hadrian, and tanks were

ordered to attack the gates. The rebels put up a stout defense, but at about 1 a.m. on the 2nd, they capitulated before the threat of heavier artillery.

Meanwhile, Admiral Hadjikyriakos, the Minister of Marine, had been assured that all was well at the Naval Base. But unfortunately for him, his informant was a rebel! The officer in charge of personnel had cunningly contrived that on this particular night most of the dependable loyal officers of the fleet were on shore leave. Consequently, when retired Admiral Demestihis and about twenty officers appeared at the gates of the Arsenal and shot the sentry, two launches were waiting under steam to take them to the ships, which also had steam up. The Commanding Officer at the Naval Base was beaten into insensibility, and the man in charge of signals and telephones was shot and killed. Shortly thereafter, the rebels were in complete control of several vessels. The rest they rendered innocuous by wrecking machinery and stealing breech-blocks. They then sailed out to Phaleron Bay, facing Athens. The Army fired on them as they emerged, with hastily assembled artillery, but only the innocent little village of Perama suffered in this engagement. The captured fleet then awaited the issue of the revolt in Athens, abstaining from firing on the city. When at last it became evident that the military *coup* had failed, it steamed away to Crete, pursued by bombing-planes.

After listing the warships which had joined in the rebellion, as well as those still in government hands, the report continued:

On paper, the fighting strength of the two sides was thus about equal, but the Government needed time for repairs, an advantage for their opponents [on] which the latter failed to capitalize. Indeed, the inactivity of the rebel vessels, and their sojourn in Crete during the next few days, point to the possibility that Mr. Venizelos took some persuading to accept the present of this handsome but already half-tarnished revolution. When called upon by the Governor General of the Island to declare himself, he merely charged the Government with the unconstitutionality of declaring Martial Law—as it had done—without consulting the Chamber. The Government, however, lost no time in remarking on the fact that he had not disavowed the revolution, as he should have done as a loyal citizen, and declared him a rebel and his ships outlaws and pirates. The scotched revolution thus became a full-fledged rebellion, with a chief and at least a fleet.

The rest of the Army, with the exception of the Fourth Army Corps at Kavalla, and perhaps the Division in Crete—I have no exact information on this score at present—remained loyal to the Government. The Fourth Army Corps captured Drama and Serres and advanced to the line of the Struma, patrols clashing with General Kondylis's advance guard on the

hills to the west of that stream. With forces from Larissa, Chalkis, and Athens, as well as from Salonica, the Minister of War rapidly built up an overwhelming superiority in numbers, which was increased with every day of waiting for the weather to moderate. Troops from the Peloponnese took the place in Athens of the reinforcements sent north. Finally, early on March 11th, General Kondylis crossed the swollen stream and flooded marshes of the Struma, and military opposition melted away. On the 12th, General Kammenos, commanding the 4th Corps, took refuge with his staff in Bulgaria. The chief of the Corps Staff is reported to have committed suicide.

On the sea, the rebel ships apparently cruised among the islands, where they re-fuelled and took such supplies and recruits as they needed. These forays were reported as "captures"—the Greek Islands of the Aegean are not fortified. On Saturday the 9th, the cruiser *HELLI* was bombarded by government destroyers as she lay in the harbor of Kavalla, and the next day she was abandoned by her officers and surrendered by her crew. The day after that, the *AVEROFF* was reported to have left Crete, with Mr. Venizelos aboard, bound for an unknown refuge. That same afternoon General Kondylis returned by plane to Athens for a parade and ovation.

During the ten days of active operations, much was reported concerning the activity of the air forces of the Government. Raids on the hostile ships and the towns in their possession in Crete and Macedonia were acclaimed in the press with almost monotonous regularity. At present it is not certain how much damage was done in this way. Apparently some property losses were sustained in Kavalla from shelling and bombing, but in general the reports are almost certainly exaggerated. The Government now seems likely to regain its entire fleet with practically no harm done, and aside from the outbreak in Athens, the land victory seems to have been obtained with practically no loss of life. Reliable information gives two hundred as the total casualties for both sides in Macedonia. The strategy of General Kondylis appears to have been of an unusually high order. By exerting every effort to bring up reserves while he waited on the Struma line, he put himself, when the weather cleared, in a position to end a fratricidal struggle almost without a blow.

A like restraint was shown by other Government leaders here. The threat of sudden naval raids was met by the mining of the principal harbours and the extinguishing of all coastal lights, dangers of which foreign shipping was duly and promptly warned. Though martial law was immediately proclaimed, restrictions on individual action were few, for the most part clearly reasonable, and promptly withdrawn when they no longer served their purpose. So far as this Legation is concerned, the Government, both civil and military, was consistently courteous and

helpful. A difficult period in the country's history, happily brief, has thus been passed through with credit to those in charge. There remains, of course, the question of reprisals,—the question whether in victory as in strife the Greek can spare his brother. There will be courts-martial for rebel officers, as is natural. But hosts of people prominent in Venizelist circles are under arrest, and all Athens is asking tonight how far old factional and personal hatreds are to be given rein.

There seems to have been very little popular feeling aroused, either for or against the movement. Some rioting occurred around the Venizelos house here on the day after the outbreak, but our Consul at Patras, Mr. Allen, has continued to report apathy in that Royalist center, while Venizelist sentiment in and around Salonica distinctly failed to crystallize as expected. Some of the calm among this excitable people was no doubt due to the salutary suppression of the Opposition press. But I am inclined to lay more stress on the lack of popular leadership. One cannot work up much enthusiasm for Tsaldaris, Kondylis, or Metaxas. The "Popular" party would be a very different affair with a Charles the First, or even a Constantine, to rally round. On the other hand, the Opposition has no Cromwell, or rather he who should have played that role remained watchfully waiting in Crete when he might have unsheathed a shining sword in Macedonia, and his Rupert of the Rhine (Plastiras of the Riviera) only succeeded in getting himself interned in Italy, while explaining to foreign journalists that this was not "his" revolution! Perhaps a little more success at the outset would have sufficed to bring Mr. Venizelos to Macedonia, where every element of discontent might have gathered round him. As it is, the revolt died a-borning among the officers and never got to the people, who were its only hope after its preliminary failure as a *coup d'état*.

There is not likely to be any more trouble with the Opposition for some time. The Venizelists are stunned, and the Government will have its way. If King George were a different sort of person, this would undoubtedly be his chance to regain his throne. But there is a noticeable lack of interest in him, even among people who support Monarchy as the system best suited to Greece's requirements. As far as the Cabinet is concerned, Mr. Tsaldaris seems likely to continue as Premier, to keep the balance between the jealous Generals,—Kondylis and Metaxas. Rumor slates either Theotokis or Michalakopoulos for the post of Minister of Foreign Affairs. The resignation of Mr. Maximos, which I am told by his family was handed in before the coup for reasons of health (he suffers from prostate trouble), has robbed Greece of a valuable asset both as a far-seeing Minister of State and as a moderate counsellor in home affairs. He is not likely to rejoin the government, even if his health improves, since the ultra-conservatives now in the saddle feel that it was his modera-

tion which nourished in Greece's bosom the nest of vipers responsible for the attempted revolution of 1935. (22)

Four days later (March 17, 1935), in another despatch, MacVeagh asserted again that the failure of the revolt had "abolished the Opposition as a political factor." Venizelos, now abroad, was to be tried *in absentia* for high treason, while most of his prominent aides and supporters were under arrest. Metaxas, who had joined the Cabinet at Tsaldaris' invitation as minister without portfolio, was now demanding the swift and severe punishment of the rebels. A thorough purge of the civil service and of the Navy was also expected, to rid them of all Venizelist sympathizers. The report continued:

Whether a move will be made to bring the King back is another question. The character and history of Kondylis makes it seem unlikely for the present, as does the fact that it would immediately give color to the accusations of Papanastasiou and others, and convince many Republicans of the justice and timeliness of the revolt. Later on there may be a different story to tell. For the present the chief questions before the country are the treatment of the authors of the revolt, and the reconstruction of the Government as a one-party dictatorship *ad interim*, with the promise and perhaps the intention of going to the people later for endorsement. There may be some changes in the Cabinet for the sake of cohesion and unity, but there are not many posts, and no important ones, which would seem to call for strengthening from this point of view, and the Premier is as averse as ever to drastic action. (23)

With all its dramatic consequences for the country, the revolt was not without its complexities in matters of diplomatic protocol. Having been left to fend for himself, the American Minister advised his government on March 18:

Following the quelling of the Venizelist revolt which broke out on the first of March, the Ministers of France, Great Britain, Turkey, Yugoslavia and Rumania called separately upon the Premier and tendered the felicitations and congratulations of their Governments. Italy has not so far followed this lead. The German Minister has informed me that he discreetly expressed to Mr. Tsaldaris his own personal feelings of happiness that a situation so difficult for Greece had been terminated with a minimum of bloodshed. The Bulgarian Minister told me that he was saying nothing whatever.

On the 13th of March a *Te Deum* of Thanksgiving was celebrated in

the Cathedral here, which all the high officials of the Church and State attended. The Diplomatic Corps, however, was not invited, as it usually is to such functions, presumably because the victory to be celebrated was one of Greeks over their own countrymen. For this reason, and because of the alacrity of the Press at present to seize upon anything which could be construed or twisted into a semblance of partisanship, I have refrained from making any public visit of congratulation. On the other hand, in our normal contacts with friends in official life, both I and the Secretaries of this Legation have taken occasion to express verbally our satisfaction at the speedy termination of a difficult situation, and at my suggestion, my wife has written Mrs. Tsaldaris a personal note saying how happy we are that order has been restored and that Greece has not greatly suffered, and asking her and the Premier to come very informally to lunch or dinner if and when his duties permit.

In attempting to maintain, in the absence of instructions, an attitude which implies nothing but friendship for Greece as a whole, I have of course in mind the fact that England, France, Yugoslavia, Rumania and Turkey all have a stake in the international situation in the Balkans which might have been endangered by a successful revolt. This fact is brought out clearly in the references to the Balkan Pact in the press comments, foreign and local. I have also in mind the fact that Venizelism still exists in this country and counts among its adherents something like half the total population. Should the present political situation in regard to punishment and reprisals set forth in my despatch No. 571 of March 17th, develop dangerously, I will of course inform the Department, in case it may wish me to take steps to support those here who stand for wisdom and moderation. At the present moment, however, it is precisely such people who appear to be in control. (24)

Hopes that the government might show mercy toward prominent persons implicated in the revolt were dashed when, after *pro forma* deliberation, a court-martial condemned to death retired Generals Papoulas and Kimissis. In a separate trial, a large group of political leaders, including Papanastasiou, Kafandaris, Mylonas, and Gonatas, appeared for a while to be destined for a similar fate. Deeply disturbed, MacVeagh, who knew personally some of these men and their families, urgently cabled the Department of State that his British and French colleagues, acting on standing instructions, were intervening with the Greek government, urging moderation. He requested authorization to join in the efforts to save the lives of the condemned, adding: "... it would be well to instruct me now as under military law execution follows rapidly upon sentence." His plea was too late. On April 24, within hours after sending the above

message, he telegraphed the horrible news: "Generals were shot at dawn this morning." (25)

The following day, Secretary of State Cordell Hull telegraphed MacVeagh that in the case of the political leaders facing a possible death sentence ". . . you may in your discretion, and acting solely in your personal capacity and if similar action is being taken by your colleagues, orally and informally indicate to the Greek authorities that arbitrary action in the trial or execution of these men would in your opinion undoubtedly make an unfortunate impression in this country." (26) In a parallel move, and acting on MacVeagh's suggestion, former ambassador Henry Morgenthau, who had served as Chairman of the Greek Refugee Settlement Commission and was a personal friend of Papanastasiou, telegraphed Tsaldaris urging moderation and leniency.

Armed with such support from Washington, MacVeagh worked hard to convince the Greek government that the execution of the political leaders "would create an unfortunate impression on the vast public opinion of my country which it would take years to eradicate." (27) These diplomatic representations, combined with the shock in Greece caused by the hasty execution of the two generals, had the desired effect. Although Venizelos and Plastiras (the general had reportedly tried in vain to enter the country in time to lead the revolt) were sentenced to death *in absentia*, the others received mild prison terms or were acquitted altogether. Much relieved, MacVeagh advised the Department: "It is generally conceded in Athens that this victory of moderation and sanity owes much to our attitude as well as that of France and Britain." (28)

MacVeagh's despatches covering these difficult moments do not betray his personal role in rescuing the accused. Instead, they provide background for a better comprehension of the psychological climate in Athens:

[April 24, 1935]

On Monday, April 22nd, a Court Martial sitting in Athens to try members of the semi-military Venizelist organization known as the Panhellenic Republican Defense, charged with complicity in the recent uprising, returned a sentence of death against two retired officers, Lieutenant General Papoulas and Brigadier General Kimissis, leaders of the organization.

It appears that these officers were not involved in the recent revolt to any degree which would justify the death penalty, and the general consensus of opinion here is that the severity of the sentence is due to their past records. After his removal from Supreme Command in Asia Minor in 1922, General Papoulas, though till then a Royalist, gave testimony which helped in the conviction of his successor, General Hadjianestis, and the rest of the famous "six." General Kimissis was also a witness against

the Six and later sat on the Court which condemned Prince Andrew¹⁴ to exile. Neither he nor Papoulas showed any change of heart during the succeeding years, but on the contrary continued to represent in Athens all that was hostile to the royalist interests. In the Greek scheme of things, in which from the earliest times politics has been characterized by deadly feuds, these men were all too clearly marked out for reprisals. This morning at dawn behind the Children's hospital they gave satisfaction to their enemies, the President failing to commute their sentences because the requisite recommendations for clemency were never made by the competent Military Authority.

The execution of these two officers is a disquieting indication of the strength of the extreme reactionary faction in the Royalist ranks. It is said that the moderate Premier, Mr. Tsaldaris, whose health is at present very bad, received a severe shock on hearing the news of the sentences, resulting in a serious set-back to his hoped-for recovery. The Government press announced the executions this morning in the barest factual terms. There seems to have been no really popular clamor for blood and no public expressions of satisfaction because blood has been shed. The general reaction in Athens is rather one of nervousness over how far this thing may go.

The fruitless *démarche* of the British and French Legations to which I referred in my telegram No. 55, was made to the Foreign Minister, Mr. Mavromichalis, who is, as the Department knows, one of the extremist group, and one of the last persons to look upon the object of such intervention with favor. Not a word about it appeared in the Press, and the American correspondent, Mr. Alexander Sedgwick,¹⁵ who obtained knowledge of it from the British Secretary who made the *démarche* during the illness of the Minister, tells me that his telegram reporting it was stopped by the censor. The other Legations here, being without instructions, made no official moves, but I am informed that several let their grave concern be known in strictly informal ways. Through Mr. Aldridge, Second Secretary of this Legation, who has been very helpful, I have conveyed to the entourage of the Premier and the Secretary of War an impression of sympathy with their attitude of moderation, which will serve to reinforce any official attitude of this sort which the Department may care to have me take at a later date if the extremists force the government to extend the death penalty to more important figures of State. (29)

¹⁴ Prince Andrew, brother of King Constantine, had served on the Greek General Staff during the Asia Minor campaign, and together with six political and military leaders had been court-martialled, and charged with responsibility for the Greek defeat in 1922. While the "six" had been sentenced to death and executed, Andrew had been deprived of his rank and banished for life.

¹⁵ Alexander "Shan" Sedgwick, Athens correspondent for the *New York Times*, was a cousin of MacVeagh.

Although the situation remained uncertain, and Greek politics did not lend itself to forecasting, the signs pointed to a turn toward the right, which might well mean the early return of the monarchy:

[April 24, 1935]

With Premier Tsaldaris an ill man and War Minister Kondylis not only ill but apparently in insecure control of an Army which is divided politically, an irresponsible but active group of extreme Royalists has made such headway in controlling events, if not the expressed policies of the Government, that the political situation today is decidedly enigmatical.

There can be no doubt that the moderates in nominal control of the government made every effort to prevent the execution of Generals Papoulas and Kimissis, which took place at dawn today. I am told that even General Metaxas did what he could, moved by the tears of Mrs. Kimissis. But it seems that a small group of officers, led by General Reppas, Chief of Military Aviation, served notice on General Kondylis that unless they were given their way with the Courts-Martial they would take over the Government, and that General Kondylis felt powerless to prevent them. This group comprises Admiral Sakellariou, the President of the Court now sitting in the case of the Opposition political leaders, as well as General Panayiotakos, the Commander of the 1st Army Corps, whose recommendation is necessary before the President can commute sentences passed by Courts-Martial in his area. In addition, it appears that this group is backed by a solid and fanatical group of the old Athenian royalist society, among which the ladies are perhaps especially violent, not to speak of Mr. John Rallis, who is said to be howling for blood. One is reminded in this connection of what happened in 1922 when extremists in the Army, backed by popular feeling, forced the death sentences of the six ministers against the judgment of such authority as existed.

In general, I should like to emphasize the fact that present events here cannot be understood without reference to what happened in 1922. In the Greek view, the abortive Venizelist revolt of last month is only a continuation of the situation created then. The trial of the political leaders now going on takes on added importance from this fact, and the position in which Messrs. Papanastasiou, Kafandaris, Gonatas and other leaders now find themselves is a more dangerous one than any connection of theirs with the events of March last would indicate. In the Greek mind they are tarred with the brush of Venizelism from years back, and in Royalist eyes are guilty of the most heinous of all crimes whether any specific charges can be proved against them or not. Particularly is General Gonatas in a serious situation. He served on the Revolutionary Committee with General Plastiras in 1922. In his case, if any semblance of guilt in this recent

affair can be trumped up, the Court-Martial may be expected to be especially severe.

In addition to the problems created by the Courts-Martial and the "purification" of government services, discussed in my previous despatches, the problem of elections is now engaging the attention of the government. It is probable that these may be held before any of the "Opposition" parties have a chance to consolidate or even place candidates in the field. Mr. Michalakopoulos states today that he will not compete unless martial law is lifted at least a month before the elections are held. Mr. Metaxas will probably provide the only opposition with his Eleftherophrones Party, which today he has metamorphosed into the "Royalist Union." Though the recent outbreak of terrorism has somewhat shaken him personally, by all accounts, he remains nevertheless a considerable thorn in the side of the government politically. Only the other day, he distributed hand-bills attacking the Government from the President down. These hand-bills purport to give the text of a letter addressed by Mr. Metaxas to the President, the publication of which was forbidden by the censor. They protest against the alleged decision of the Government to hold elections next month under martial law, and declare the bankruptcy of the Republican regime and the necessity of "a new order." It is not certain that martial law will not be lifted before May 19th, the date set for the elections, and, in fact, if the actions of the Courts-Martial do not cause civil disturbances, it is quite possible that it will. But Mr. Metaxas needs ammunition for his campaign and seems willing to grasp at anything. His tactics may be muddled like everything else in the present political scene, but they are generally taken to reveal one thing clearly, namely that if and when elections are held his candidates will stand on a platform calling for the restoration of the Monarchy. In the meantime the anomalous situation created by the control which I have described, of a government behind the government, may bring about changes unforeseen and unforeseeable. (30)

In the early part of the summer, with parliamentary elections scheduled to take place soon (the Gerousia, or Senate, long a Venizelist stronghold, had been abolished by government decree in the aftermath of the March revolt), the star of John Metaxas appeared very much on the rise, and the monarchy's restoration simply a matter of time. MacVeagh reported on June 6, 1935:

The confused political situation in Greece now seems to be developing rapidly towards a partial clarification by way of national elections on next Sunday, the 9th of June. The so-called Opposition Parties are not expected

to cast any votes in this election, all their leaders—Kafandaris, Papanastasiou, Mylonas, Sofoulis, etc.,—having decided to abstain and called upon their followers to do likewise. Parties which have split off from the Tsaldaris coalition will constitute the Opposition in these elections. General Pangalos has started a tiny party of his own. In Macedonia there is a new party under the leadership of Messrs. Kotzamanis and Dragoumis. This may grow into something of importance since it aims to represent the interests of Northern Greece. But in the present elections it is expected that the contest will almost wholly be between the forces of Mr. Tsaldaris, the Premier, and General John Metaxas, the leading Royalist. The latter is very loud in his claims. One would think from the stir he has been able to make that he had a serious chance of winning. But all the usually well-informed observers whom I have been able to sound out in Athens, in the Peloponnese, in Macedonia, as well as from the Islands, concede the election to Tsaldaris by a handsome majority.

The activities of Metaxas have forced the question of the régime very much into the foreground, and for the moment the question of the restoration of the Monarchy is on everyone's lips. Mr. Tsaldaris has promised to hold a plebiscite on the question after the elections, but it is likely that if he wins a large majority over the Metaxas party the plebiscite may somehow not come off. As the Department knows, Mr. Tsaldaris is an expert at deferring anything that savors of a definite decision. It is thought here that he is not himself anxious for the restoration, since he has not been a great worker for the King these past years and would probably be pushed aside to make room for more loyal supporters should the latter come back. Also the past of General Kondylis hardly augurs a brilliant future for that gentleman should the Royal House return.

The reasons given by the Opposition leaders for abstaining from these elections are connected, of course, with the recent Venizelist revolt. It is alleged that the Government has not given the leaders time to organize, after holding martial law over the country for so long a time and keeping most of the leaders themselves in jail till very recently. There have also been allegations to the effect that the Government will tamper with the election machinery, and dissatisfaction has been expressed with the decision to use the majority system rather than the proportional. But all this is normal in Greece. If there are to be disturbances during the elections, they are not likely to come from the former Venizelists, but from the Metaxists. Last night a fleet of motor cars passed the house of Mr. Pericles Rallis, the Minister of the Interior, and sprayed it with bullets. The perpetrators are said to be Metaxists, and the method employed certainly reminds one of previous outrages with which his name has been connected. It is said that Mr. Rallis (formerly Insull's attorney and Governor

General of Macedonia during the revolt) sinned by forbidding the display of the ex-King's picture, which nevertheless is being displayed.

Mr. Venizelos has written a number of letters and given a number of interviews in which he has announced his definite withdrawal from politics. But his protestations are so long and detailed that they are having the very opposite effect and slipping him right back into the political scene as a force to be reckoned with, and feared, in the moulding of public opinion. (31)

With the immediate effects of the March revolt already quite evident, MacVeagh cast his eyes beyond the Greek scene to the Balkans and Europe. On May 4 he was writing to the President:

Athens, May 4, 1935

Dear Franklin:

Since I last wrote we have had some interesting times over here, and they are still going on.

First, the Italians began what may best be described as their Abyssinian preparations. This was not without repercussions of alarm in Athens, which is the chief nerve-centre of the Near East. Opinion here is always alive to any manifestations of Italian expansionist policy, particularly in view of Mussolini's persistent development of the Dodecanese Islands. Now it has become evident that the Italians, knowing quite well the value of their attitude in the Austrian question, have forced the French and British into letting them have a free hand in Abyssinia. But such a policy, if successful, may easily develop further, and Greece and Turkey may well fear a similar attitude on the part of the Powers should Mussolini later decide to give rein to his ambitions on the coast of Asia Minor.

Shortly after Mussolini began sending troops to Abyssinia, there came, not without general warning but quite suddenly as to the precise moment of the outbreak, the Venizelist revolt in Greece. . . . Internationally, the revolt revealed some interesting things. Bulgaria's nervousness was promptly exhibited in an appeal to the League of Nations against Turkish military activity in Eastern Thrace, while Italy allowed General Plastiras to get all the way to Brindisi on his way to join Venizelos before she stopped him in the very act of sailing. By that time England had sent a battleship into the Piraeus and publicly announced her support of the *status quo*. Titulescu had spoken to the same effect, and France's diplomatic system in the Near East had shown unmistakable signs of holding firm. A French warship had also arrived in the Piraeus. Then, a week after the others, and only then, did the Italian warships arrive. The Italian

attitude seems to have been of a decidedly opportunist character in this affair. . . .

Greek opinion is vividly alive to the possible consequences of Germany's scuttling of the Versailles Treaty. Germany's peaceful neighbors may prevent war from breaking out in the West for some time, but if revisionist nations like Hungary and Bulgaria are encouraged to treat their obligations in a similar manner, there are not the same forceful guarantees in Southeastern Europe to avoid a conflict. I feel that if one thing more than another could cause the Balkans to become again the tinderbox of Europe, it would be Germany's doing what she has done. There is unmistakable anxiety in this part of the world, not over Germany's action but over the actions of which this may be the parent. The papers are full of Turkey's claim to be allowed to refortify the Straits. But that the straits are to all intents and purposes refortified already is an open secret. The guns are ready and the emplacements for them. More important are the sudden moves which panic may bring about. Intentions in this part of the world are doubtless not offensive. I happen to enjoy the friendship of the present Director of the Bulgarian Foreign Office who was long Minister here, and I believe him when he says that his country does not want to make war on its neighbors. But war, of course, does not come out of the blue. It is rather the result of what we used to call in school a parallelogram of forces. In the Balkans these forces come from outside too often for the Balkan peoples to foresee their own fate from any distance ahead.

You may have noticed in the papers a good deal of to-do about a restoration of the Monarchy here. Such a thing is certainly in the cards, but there is no agitation for it in Greece comparable to what the foreign press makes out. There is a small group of Royalists which wants a restoration for the personal benefits to be derived by its members. There is, supporting this, the Greek fondness for change. But in general there is apathy. With the Opposition leaders only just released from jail, royalist votes may win a majority in the coming elections. Or the King may come back by a *coup d'état*. But in any case a restoration would not be significant except locally, unless perhaps England should lend the Duke of Kent. She is hardly likely to do this, however, on account of the ensuing responsibility and its effect on her foreign policy in general. Almost certainly if Royalty returns it will do no good to Greece. Its supporters call monarchy a "stable form of government," but the lot of the Greek Kings has always been a stormy one.

American commercial interests have not been doing too badly here. Figures show that our exports to Greece for the first two months of 1935 increased about thirty percent over those for the same period last year. But Greek exports to the United States increased some hundred percent

in the same period. The balance of trade, already against us, is piling up. Germany's commercial policy, being more rigorous and almost coercive, has established her as top dog in Greek imports, in the position we used to occupy. I keep urging the Department to bring Greece to book under our new policy and write her up a new trade agreement more in keeping with present conditions than the present one of 1924. And I have been rewarded by a telegram promising that I am to be instructed in this matter soon.

I have written enough for the present, and can only feebly hope you will have time and patience to read it all. We hope to take a vacation at home this summer, sailing June 14th, bringing little Eleanor along with us. I shall go to Washington immediately on my arrival to talk with those who give me my orders. Maybe I shall have the luck to see you. At any rate, I am always

Yours devotedly,
Lincoln MacVeagh (32)

While the turbulence of Greek politics continued, creating in the capital an atmosphere of seemingly permanent uncertainty and perpetual anticipation, MacVeagh found life in Athens pleasantly busy and rewarding. In addition to never-ending social and cultural events, which brought together foreign dignitaries, government functionaries, and Athenian society, there was always time for quiet reading, archaeological excursions, sports, and for walks and rides in the peasant countryside of Attica. Unlike other diplomats, who seldom ventured outside the city limits, MacVeagh showed great interest in the provinces. Accompanied by his wife and daughter and travelling by car, he criss-crossed the country's various geographic sections, and before long there were few towns and villages in all of Greece that the MacVeaghs had not visited at least once. His Greek friends were soon amazed to discover that he knew their country far better than most of them.

Among his many and varied interests, none gave him more pleasure than the study of classical Greece, perhaps his principal reason for accepting the diplomatic assignment. Already widely read in ancient history and classical literature, he became a serious student of archaeology. In the mid-1930's, under the direction of Professor Oscar Broneer of the American School of Classical Studies, MacVeagh financed a small-scale excavation on the eastern face of the hill of the Acropolis, and worked there himself, between diplomatic activities. Although there were no spectacular discoveries, the "dig" yielded many fragments of pottery, some of which were found to be missing parts of vessels already on exhibit at the National Museum. The local press (as well as the *New York Times* of

February 24, 1936) prominently displayed photographs showing the American Minister, in his office suit, wide-brim hat, and smoking his pipe, handling the archaeologist's knife and obviously happy with his work. A more ambitious undertaking was the restoration of the Lion of Amphipolis, near the Struma river in Eastern Macedonia, a gigantic monument commemorating a major battle of the Peloponnesian War in 422 B.C., in which Sparta's most able general, Brasidas, and the Athenian demagogue, Cleon, were both killed. With the ancient city of Amphipolis long abandoned, the Lion's fragments had for centuries been lying scattered in the brush, in an area inaccessible to the outside world. Impressed by what he saw, MacVeagh set out to have the Lion restored. He succeeded in enlisting the expert help of French archaeologists working at near-by Philippi, and of American engineers engaged in a major land reclamation project. He contributed toward the cost of the undertaking, and solicited funds from friends at home, small contributions coming from Eleanor and Hall Roosevelt. The project, which took several years to complete, earned MacVeagh the respect and affection of Greeks everywhere, and in January 1938 he was made an honorary fellow of the prestigious Archaeological Society of Athens. In bestowing the honor, the Society also acknowledged another "splendid example" of the MacVeaghs' "friendship for ancient as well as modern Greece": a volume entitled *Greek Journey* (Dodd, Mead, 1937), a delightful travel book for children written by the Minister and his wife, highlighting the sites of ancient Greece and their contemporary inhabitants. A frequent visitor to ancient Mycenae, MacVeagh became a friend and benefactor of its modern inhabitants, and helped finance the building of the village's church.

The various private American institutions operating in Greece found in MacVeagh a true friend. He was their frequent visitor, and did his best to offer advice and assistance whenever problems with the local authorities would arise, all along reminding his fellow Americans that they remained in Greece only at the sufferance of the Greek government. He was especially fond of the American schools, such as Athens College, the Junior College for Girls (then located at Hellenico), the American Farm School, and Anatolia College in Salonica, and took a personal interest in their development. In a despatch dated June 6, 1935, he reported: "Anatolia College, which I visited at Commencement last year, I found making excellent progress in its building. I went over the entire lay-out, visited classes, and so forth, and was confirmed in my belief that Dr. Riggs, the President, is an excellent leader. Particularly striking is his ability to work well with the local authorities in sometimes very difficult circumstances. . . ." (33)



In the aftermath of the March revolt, the question of the monarchy's restoration clearly overshadowed every other issue. The King's champions were Metaxas, who in parliamentary debate took an openly pro-royalist position (thereby violating the Assembly's standing rule not to consider constitutional revision), and General Kondylis, the powerful Minister of War. British diplomatic circles were reportedly dropping broad hints that the monarchy was the country's best guarantee of stability and progress. Even Venizelos, from the safety of Europe's principal capitals, was rumored to have indicated his grudging consent to the King's return, in exchange for royal consideration for the Liberal Party.

Elections to a new Assembly were first scheduled for June 2, 1935, but were postponed by Tsaldaris till the 9th, to allow the Opposition parties to organize their campaign. This conciliatory gesture was to no avail. At Venizelos' insistence, the Liberal Party abstained, protesting that its leaders, only recently released from confinement (following their trial for the March 1 events) had had no time to resume normal political activity. To no one's surprise, Metaxas conducted a vigorous pro-royalist campaign, extolling the monarchical principle and implying that the issue was essentially already decided. As for the aging and ailing Tsaldaris, he had no particular desire to see the fires of constitutional conflict rekindled, and was personally content to govern the country under the trappings of presidential republicanism. However, more and more of his Populist followers were being attracted to the monarchy's cause, forcing the Prime Minister to include in his campaign promises a statement that he would hold a referendum on whether the King should return.

With the Venizelists taking no part, the election returns held no great interest. The government forces, combining Tsaldaris' Populists and Kondylis' personal following, received about 65 percent of the vote, the royalists under Metaxas and Rallis 15 percent of the vote, the communists 9.5 percent of the vote, with the rest going to lesser groups. The electoral law favored the strong: out of three hundred Assembly seats, the government won two hundred and eighty-seven, the royalists won seven, and there were six independent deputies. On July 10, as its first order of business, the Assembly voted to hold the referendum on the restoration of the monarchy by November 15. It then declared itself in recess until October 10.

It was not destined to be a quiet summer. With most political figures away from Athens, persistent rumors began to circulate that the military would bring the King back without the benefit of a referendum. Senior officers were said to be conspiring to compel the Prime Minister to cancel the referendum, and to restore the monarchy by decree, a move which was certain to be endorsed by the new Assembly. Royalists appeared to fear

that in a fair expression of the popular will, their cause would suffer a humiliation.

Returning from abroad on September 9, Tsaldaris was warned by loyal supporters that a military coup was in the last phase of preparation. But when the Premier sought to foil such plans by transferring from key commands certain suspected officers, General Kondylis as Minister of War vetoed the measures, thus leaving the government at the mercy of the conspirators. Under pressure, the cabinet moved up the date of the referendum to November 3. Undaunted, republican leaders Papanastasiou, Sofoulis, Papandreou, Mylonas, and others prepared to campaign against the monarchy's restoration, and appealed to King George not to consent to be returned by decree, but to abide by the nation's will. Above all they insisted, and Tsaldaris heartily agreed, the referendum must be genuinely fair, and must leave no doubt as to its mandate. They were to be bitterly disappointed.

On the morning of October 10, while motoring to his office, Tsaldaris was stopped on Kifissia Boulevard by Generals Papagos and Reppas and Admiral Economou who "invited" him to return to his residence to discuss certain pressing matters. Once there, the three officers demanded that Tsaldaris declare the monarchy restored by decree. When he refused, reiterating his determination to honor his pledge and hold a genuine referendum, he was informed that the armed forces were seizing control of the country. Tsaldaris appealed to Kondylis to help restore the government's authority, but the General made it plain that his loyalty lay elsewhere. Refusing to resign, Tsaldaris announced that his cabinet had been forcibly overthrown. A new government was promptly formed, with Kondylis as Premier and Minister of the Navy, Papagos as Minister of War, and Theotokis as Minister of Foreign Affairs. The cabinet's first act was to declare martial law, an ominous sign to all those still hoping for a fair referendum.

The new government took the oath of office before the Assembly, which was convened for that purpose on the evening of October 10, and was dismissed immediately afterward. In a dramatic move, Tsaldaris rose to defend his conduct, and to warn that the return of the King by means other than a genuine expression of the nation's will would do irreparable harm to the country as well as to the monarchy. He then walked out, followed by the vast majority of the deputies present. To the remaining deputies, Kondylis declared the dissolution of the Republic, and promised that the referendum would be held on November 3 as scheduled. In case anyone doubted its outcome, Kondylis also informed his cheering audience that in the meantime he was assuming the royal prerogatives.

Advising the Department of these momentous developments, Mac-
Veagh, by now an authority on Greek coups, observed on October 14:

Paradoxically enough, one thing which undoubtedly aided General Kondylis and his henchmen in maintaining order was the apathy and disgust of the majority of the onlookers at this new proof of the ineptitude of self-government in Greece. Even the hoodlums, with whose hired aid Mr. Metaxas is accustomed to fan the questionable loyalties of Omonia Square, failed to rouse much enthusiasm for Kondylis' latest coup. The chauffeur of the American Consul General saw Mr. John Rallis firing off a pistol in the street and shouting "Cheer, you people, cheer!"—but he reports that the people on the pavement merely stared at him, as at one gone mad. I have already intimated to the Department that the prevalent sympathies in Greece are probably republican at the present time. But there seems to be also a feeling very much like shame in the breasts of many Royalists. The British Minister remarked to me at the very moment when, unknown to us, Mr. Tsaldaris was being turned out of office by a Revolutionary Committee of Officers: "They are all savages, and I don't care to live among savages." Perhaps the lack of enthusiasm for a brilliantly executed overthrow of the established order, which some years ago would have stirred to frenzy the Hellenic breast, may indicate an advance in a peculiarly backward portion of the Greek mind which has remained stationary since at least the sixth century B.C. But on the other hand, it may simply betoken a knowledge that—"who overcomes by force hath overcome but half his foe," and disgust over the unwisdom of sowing the wind only to reap the whirlwind. The former interpretation has been pressed on me; I am inclined to vote for the latter.

Since the completion of the *coup d'état*, I have consulted with all of my principal colleagues and ascertained the views of nearly all the others. The consensus of opinion seems to be that the new Government is at present established and may expect to maintain itself for the time being on the basis of the watchfulness of the new Premier and Regent, and the consequent inability of the Opposition groups to meet and organize. At least for the moment we may expect a respite from uncertainty. With the military spirit predominant we may even find it easier to transact business with the various Ministries than has been possible under the procrastinating rule of Tsaldarist politicians. The Government has begun, without losing a moment, to prepare the path for returning Royalty. Court decisions henceforth are to be in the King's name and prayers for the Royal Family have been reinstated in the Liturgy. Citizenship and other rights have been declared as *ipso facto* restored to the Royal princes and princesses, and it is rumored that back salary for the King is to be forthcoming. But still it is not known whether the King will consent to return. His throne is being prepared. Will he sit on it?

The Department may have been puzzled by the fact that the movement,

undertaken apparently because of the Premier's insistence on holding the plebiscite instead of recalling the King by vote of the Assembly, resulted in a renewed insistence on the plebiscite method of effecting the Restoration. But General Kondylis' speech quoted above lets the cat out of the bag. He said that Mr. Tsaldaris "manifested no disposition to proceed to a plebiscite." Such a conclusion could certainly not be deduced from any of Mr. Tsaldaris' published words. But his opponents had come to realize that he really wished all along "to postpone the plebiscite in the interest of calm," as he said to me himself, and they knew that the nearest he ever got to saying "no" was to say "postpone." He was therefore removed so that the recall of the King might be a certainty, and the plebiscite method of recall was purposely left in as a part of the program because the King is said to demand such an evidence of the popular will, and because of the better color it lends to the whole proceedings. In other words, Mr. Tsaldaris was not thrown out because he wanted the plebiscite, but because he was suspected, with probable truth, of not wanting it. Let it be his political epitaph that he saw clearly the danger to his country of such an adventure as that on which his zealous erstwhile friends are now embarked, and when pushed to the wall at last, had the courage to refuse to join.

As for Mr. Zaimis, the aged President of the Republic, he faded from the picture, as he has been fading from life itself these past few years, with hardly a word. Called upon by Messrs. Kondylis, Theotokis and Mavromichalis at his home in Phaleron, and informed that he was no longer President, as the Republic no longer existed, he sighed and said: "There is no other way," his words having the oracular sound and inadequate sense of the last words of dying men already half way over to the other shore. (34)

All through the summer and fall there was a great deal of speculation as to Britain's position on the issue of the Greek King's fate. It was generally assumed that London was quietly working to assure his return to Greece at the earliest possible moment. On the other hand, London's Minister in Athens, having indignantly announced to his American colleague that he did not care to live among savages, also gave him a rather strange version of British thinking on the restoration of the monarchy. As MacVeagh reported:

[October 10, 1935]

He said that he was convinced that the return of the King would be a "calmity" and that he was so advising the Foreign Office. He also told me that the King of England, with whom he talked on the matter, told him that he was endeavoring to persuade George II "to be sensible" and not get himself into difficulties. When I asked the Minister what he thought

would happen here if the King should not return, he said: "Anarchy for a while," and "Sooner or later the Republicans *must* return to power."

The British diplomat agreed with MacVeagh that there was no strong sentiment in Greece favoring restoration, and that the "agitation for the King's return is the work of a few highly placed people, mostly in Athens Society and in the Army." He predicted that Metaxas would emerge as the undisputed leader of the royalist forces. He volunteered the undiplomatic view that the Greek King was "a thoroughly incompetent person, wholly incapable of uniting the turbulent Greek people." Transmitting his colleague's comments to Washington, MacVeagh observed:

The cautionary attitude which he ascribes to the King of England, and his own very definite opinion as British representative in Greece are both "news" from the point of view of Athens, where it has been thought that the King's relations were pressing him to return and that the British attitude toward the Restoration was favorable. With the British Government and Royal House fully apprised of the situation as it actually exists in Greece, we may possibly witness a refusal of the King to respond even to the handsomest invitation that his friends can arrange. (35)

With the referendum still about one week away, MacVeagh was treated to a full view of the government's intentions and of British diplomatic gyrations. On October 26, in a despatch entitled "The Restoration *ante facto*," he wrote:

Last night, in the course of a conversation at the British Legation, Mr. Theotokis, the Foreign Minister, confidentially informed Sir Sidney Waterlow, the British Minister, and myself that the Government was in receipt of a communication from the King indicating His Majesty's willingness to reassume the crown and requesting to be advised of the Government's ideas regarding the time and method of his return. Mr. Theotokis went on to say that the Government was elaborating a reply, in which Sunday, November 17th, would probably be suggested as the date of the King's return here. According to the Government's plan, he said, His Majesty would be accompanied home by a small delegation, consisting probably of the President of the National Assembly, a Minister representing the Government, and a General representing the armed forces of the nation. He would be met at Brindisi by the cruiser *HELLI* and two destroyers. A simple ceremony would take place at the dock at Phaleron, and the King would then lay a wreath on the Unknown Soldier's tomb in Athens, after which he would proceed to the Palace

and receive the members of the Government and the Diplomatic Corps. Mr. Theotokis emphasized the fact that the plan called for the minimum of pomp.

Upon hearing this news, the British Minister earnestly requested Mr. Theotokis to inform His Majesty that his regime would have the full support of the British Legation and of himself personally. He also said that he feared the impression had gone about that the British Legation was against the Restoration. He wished, he said, to correct any such impression, adding that the Legation was interested only in the welfare of Greece. He again prayed Mr. Theotokis to assure His Majesty of his own personal desire, and that of the Legation, to help make the Restoration a success. Mr. Theotokis thanked him effusively for his kind words and promised to inform the King as requested.

Sir Sydney then went apart with me, and said that he had not changed his views on the situation (see my despatch No. 875 of October 10, 1935) but that as it now appeared that the Greeks were going to try the Restoration anyhow, it seemed best to help them make it a success in the interests of peace and quiet. It did not seem necessary for me to make any comment to the Foreign Minister on his interesting announcement, and I made none.

The Department will note that Mr. Theotokis' information reveals complete confidence in the favorable result of the approaching plebiscite, not only on the part of his Government but on that of the King himself, who has been supposed to be awaiting the popular verdict before making up his mind. Considering that the country is normally at least fifty percent Republican and that many erstwhile Tsaldarists have now declared themselves of that faith, nothing could be more indicative of the farcical nature of the forthcoming appeal to the people.

The general situation remains quiet. General Kondylis declared today a national holiday, to celebrate the taking of Salonica in the Balkan Wars, and improved [took advantage of] the occasion to mount a review of the Athens troops. The leading Opposition figures are all under police surveillance, and other individuals who might make trouble are being deported daily, usually on the charge of engaging in communistic activity. It seems highly likely that the Restoration is, as the British Minister said last night, already a "*fait accompli*." But if so, the fact remains that it has been brought about by a Government set up under military pressure by a Constituent Assembly elected by one party only, and irrespective of the result of the coming dubious plebiscite, it may be questioned whether a throne so based can long endure, even with the support of the British Legation. But much will depend on the King himself and what line he takes when he returns. (36)

In a letter to the President dated October 15, MacVeagh turned to the international scene, and stressed the alarming consequences of the recent Italian invasion of Ethiopia:

The Anglo-Italian situation continues loaded with dynamite in this part of the world, while war vessels of both navies prowls around fully equipped for any emergency. The British Minister here, who recently returned from London, tells me he thinks the danger of conflict is less than it was a while ago, but with so many people carrying weapons and nervously wrought up, we can never exclude the possibility of an "incident." The Greeks are acutely conscious of their exposed position, and the temptation which their many excellent harbors would be to both belligerents in time of war. The Italians have already anchored repeatedly in these harbors without asking the Greek Government's permission beforehand—a high-handed policy which they seem now to have abandoned under Greek protest, but which has inflamed the Greek press against them, and increased the normal dislike here, and distrust of Fascist Italy. Consequently Greece may be said to be, at the present moment, not pro-British certainly, but less disposed to criticize England than Italy in the situation which has arisen between them. She is desperately anxious to preserve her neutrality, and quite baffled as to how she is going to be able to do it, if war comes. The Turks seem to be very much in the same quandary. The Turkish Minister here came to see me the other day and bewailed the difficulty of his country's situation.

England has a great fleet, but Italy has converted the Islands of the Dodecanese into a powerful base only a few miles from the Turkish coast. It did not seem to console him to think that Italy is already using up a lot of money and men in Abyssinia. Incidentally, the British out here have quite frankly given Malta up for lost should hostilities break out with Mussolini. On account of the airplane and the submarine, there is a general feeling that Italian lines of communication will be preserved to a greater degree than British, at least at the outset, so that if any of the Near Eastern States join England at the start of an Anglo-Italian war they will risk receiving paralyzing damage before they can make their assistance felt to any great degree. Consequently we should expect them to do their best to remain neutral, at least till some decisive actions had been fought, or until time had made it possible to make a good guess as to the ultimate victor. (37)

As the results of the November 3 referendum were being made public, and with many details still unknown, the Legation telegraphed the

Department that the reported great victory of the royalists "cannot be accepted as a true indication of popular feeling. Many Republicans undoubtedly abstained from voting and plural voting by Monarchists appears to have been widespread, as well as intimidation at the polls, non-issuance of opposition ballots and other means of enforcing the Government's will." (38) Later MacVeagh gave a more complete account of one of Greece's most fraudulent ballots:

[November 9, 1935]

The result, in so far as it represented an overwhelming victory for the Monarchists, needs no comment, as such a victory has long been regarded as inevitable, but there are certain aspects which invite remark.

According to official announcements, the Monarchists received over 97 percent of the votes cast. The figures given are:

For the Monarchy —	1,491,972
For the Republic —	36,742

In this connection it may be noted that not only is the Monarchist majority so great as to "prove" Greece practically unanimous in its desire to see the King restored, but the figure given for the Monarchist vote is actually higher than the total vote cast by all parties together in any previous election in Greece, and this by no small margin but by over 400,000 ballots! There may therefore be some truth in the rumor that when shown the returns, General Kondylis, the Regent and Premier, expressed annoyance with his followers for "exaggerating."

Reports from trustworthy private sources indicate that there was widespread abstention on the part of Republicans. Republican leaders are said to have circulated, a short time before the plebiscite, various appeals to their followers not to participate in the voting. Though originally they had announced their intention to participate, these leaders are supposed to have changed their minds when the lifting of martial law was not followed by a restoration of the rights of free speech (see my despatch No. 905 of October 31, 1935).¹⁶ Of course their appeals had to be circulated surreptitiously, and it is not known how many voters they actually reached or influenced. General Kondylis has announced that they "found no echo." But even without them, the conviction that votes for the Republic (colored bright red and clearly visible through the envelope) would be thrown out, and even fear of intimidation at the polls, seem to have been enough to keep a large part of the Opposition public away from the booths on election day, which passed with a notable lack of either enthusiasm or conflict.

On the other hand, plural voting by the Monarchists seems to have

¹⁶ Not cited in this text.

been prevalent. As the Department is aware, such a practice is not new in Greece. But on this occasion it seems to have flourished with especial vigor. Conservative estimates place the average at three votes per man, with individual records as high as thirty.

Soon after the plebiscite, the Republican chiefs, Messrs. Papanastasiou and Papandreou, were allowed to return from their temporary exile in the Island of Mykonos, and the censorship of the press was announced at an end, though this must be taken with a grain of salt, in view of the fact that the omnibus decree providing for the maintenance of public order . . . is still in force. The Regent has announced: "There are happily no longer any political parties in Greece today. The Greek people, in presenting itself at the polls as a unit, has destroyed them. A new political order began in our land of Greece from the day of the 3rd of November." Yet on the other hand, Mr. Tsaldaris and Mr. Metaxas met together on that very day, and from the accord which they are reported to have struck, and from other indications, it may be that the General's announcement that political parties no longer exist in Greece is at least premature.

The King's return has been expected to take place on the 17th of this month, but may be postponed until the 24th. His route will apparently be either via Belgrade and Split, or via Brindisi, and thereafter by the cruiser *Helli* to the hydro-airport at Old Phaleron. A delegation consisting of General Papagos, the Minister of War, Mr. Balanos, President of the Assembly, and Mr. Mavromichalis, Minister of Communications, has left for London to accompany him on his homeward voyage. The last mentioned, a pompous little man with a woman's hands and feet, told me the other day that he was so overcome with emotion at the thought of his mission that he feared he might break down and *become ridiculous*. It is also said that the King will go to Italy before returning to his throne, to visit the graves of his family among other things, thus giving proof of his piety as well as of an appreciation of his country's present difficult position in the field of foreign affairs. His visit should take place at about the same time that Greece, together with forty-nine other nations, begins to apply economic sanctions against Italy. Financial sanctions are already in force, in the form given them by a committee of the League presided over by Greece's representative. It is apparent that the King wishes to return wrapped in as much goodwill as possible. He has sent a message "To the Hellenes" which cites as his motto: "My strength is the love of my people." This has been the motto of his family for some time, I am told, and in the light of history, would seem singularly inept. But these are days of high Royalist hopes. So far, God has not yet been invoked as the Author of the Restoration. But He has at least been mentioned among those invited to attend.

Mr. Mavromichalis is reported to have said that the ceremonies attending the enthronement will be principally religious, "*car les Grècs commencent toujours par Dieu.*" "The Greeks always start off with God." That word "always" opens up a long vista into the past. Certainly the god Hermes would have delighted in the recent plebiscite. If the potent rule of the Regent is not overthrown in the interim,—and such an eventuality, though improbable, cannot be left wholly out of account in so turbulent a country—it is expected here that the King will begin by accepting General Kondylis's advice. I have already referred to the possibility (see my despatch No. 905 of October 31, 1935)¹⁷ of this advice including the dissolution of the present Assembly. It now seems that General Kondylis is intent on such a dissolution, the reason being that the present Assembly is too Tsaldarist for him to depend on when the King's advent makes a return to at least the semblance of democratic rule advisable. (39)

Reporting further on the attitude of the "British cousins," MacVeagh telegraphed on November 18:

I have been confidentially informed by the British Minister that his Government has instructed him to guide and counsel the King after his return but to do so without becoming involved in the internal affairs of Greece. According to his information from London the King is returning in a frightened condition, wholly at sea as to what line to take among the Greek politicians, and trusting nobody but the British. The Minister said that he would probably therefore have to advise the King in internal affairs although upon his own responsibility. The Minister has not yet decided whom to favor amongst the would-be Greek advisers of the King but stated definitely that Princes Andrew and Nicholas "must not" remain long in the country or mix in affairs. (40)

A few days before the expected arrival of King George, another despatch, dated November 21, 1935, gave a description of the preparations underway and of the mood in the capital:

The day of the King's return has been definitely set for Sunday the 24th of November. The main boulevards have been decorated with flags, and with arches and pylons of white plaster, and elaborate police regulations have been issued to safeguard the person of a monarch whose "strength is the love of his people." Unless the King himself changes the plans made for his reception, he will drive up to Athens from Phaleron

¹⁷ Not cited in this text.

surrounded and accompanied by the military. All house-holders along his route have been required to furnish the names and address of every person expected to be on the premises Sunday morning. It may be that the authorities, remembering the fate of King Alexander in Marseilles, are taking wise precautions against communists, anarchists and madmen. But the whole affair breathes the spirit of the successful *putsch* of October 10th and has not escaped wide comment from this point of view. It is more likely that, having secured control of the Army, usurped the functions of Government, and justified their actions by the forced acclamations of an unrepresentative Assembly and bogus Plebiscite, the extremists of the Royalist Party are bringing back their King with every precaution against interference on the part of the vast numbers of their countrymen who are opposed to the proceedings and have never been consulted in regard to them. *Finis coronat opus*.

As far as this Legation has been able to learn, no one expects any disturbance during this last act of the Restoration Comedy. There is little animosity, or even active dislike, expressed toward George II personally, even in the most rabid Republican circles. He is deprecated, and even pitied, but not hated. But more important to his welfare is the military control exercised over the situation by the Regent and King-Maker, General Kondylis. Until the King is once more on the throne and becomes a factor in the political life of the country, this control seems likely to continue, despite recent signs of weakening. The Opposition press is becoming bolder in the face of summary laws "in defence of the realm," and the Regent has even been attacked with impunity in flaming editorials. But the curiosity of the Greeks to see what the King will do when he returns, and their love for parades and show of all kinds, have entered the lists on the Regent's side, and operate powerfully to keep the populace expectant and the Army quiet until the "sublime day," as Mr. Theotokis called it, has come and gone.

The same despatch, appropriately entitled "Venizelos Redivivus," lent credence to current rumors that Venizelos, the republican leader, still condemned to death, had privately communicated to the returning monarch his willingness to urge his supporters to acquiesce in the restoration. In return, the King would undertake to declare a general amnesty for those found guilty of the March revolt, and to free those who had been imprisoned for it. New elections would then be held, to enable the Liberal Party and other republicans to take their proper place in the National Assembly. Whether the King had accepted these terms was not known. In this connection, it was alleged that Venizelos did not desire amnesty for himself (at least for the time being), and that he had no plans to return to Greece in any event. Nevertheless, in the

American Legation's view, the reported "deal" with the King suggested that even from abroad, Venizelos had "reentered the scene of Greek politics at a critical moment in a manner full of possibilities." In a lighter vein, MacVeagh also passed along the report that Venizelos' desire to secure amnesty for the instigators of the March revolt was "largely because so many of them are now living [abroad] on his wife's bounty, and though her fortune is large it is not inexhaustible. . . ."

As for the King's preference for a government, the matter was far from clear:

Of course, the whole situation is still on the knees of the Gods, in so far as no one can say what the King will actually do when he returns—whether he will attempt to go ahead with Tsaldaris and a semblance of popular rule based on a fraction of the electorate, or with Kondylis and a dictatorship based on the army and farcical elections, or whether he will throw both of these over and go to the people, as it were, with a non-partisan appeal. But while we await his return, we may do well to remember another factor which is likely to affect his decision in this instance, as well as his future in general. I would refer to my telegram No. 172 of November 18, 11 a.m., in which I informed the Department of the British Minister's instructions and feeling of personal responsibility in regard to advising the King. The British Legation here is convinced of a preponderance of Republican sentiment in the country, as well as of the immense difficulty of reconciling the warring elements among the Royalists. It may therefore be expected to exert whatever influence it wields in the direction of disentangling the King from party lines, and its chances of success in so doing would seem to be opportunely increased by the new Republican policy of tolerance. It may even be that this policy stems back to a common origin with the Minister's instructions, as Great Britain and Venizelos have been mutually helpful before this. (41)

At long last the royalists' "sublime day" had come and gone. With the monarch ensconced in his unpretentious palace a few houses away from the American Legation, MacVeagh dutifully reported:

[November 26, 1935]

King George II returned to Athens yesterday, Monday, November 25, after having delayed his announced arrival a full twenty-four hours on account of severe weather in the Adriatic. The weather was so severe that it may not be true that any part of the delay was owing to the King's fear of being sea-sick, as malicious tongues have said. But there