

CONDITIONS IN GREECE - 1947

Part 1

On Friday, February 21, 1947, Great Britain notified the United States that it could no longer provide financial aid to the governments of Greece and Turkey. American policy makers had been monitoring Greece's deteriorating economic and political conditions. There was a civil war taking place between the Greek monarchy and communist **guerillas**, and there was a severe economic crisis. The United States was also observing Turkey, where a weak government faced Soviet pressure to share control of the **Dardanelles Straits**. Both Turkey and Greece had in modern times depended on Britain's diplomatic and economic support, but it now seemed that London planned to pass this responsibility on to the United States.

Like much of the chaos of the early cold war, the problems of Greece and Turkey stemmed from World War II. Turkey's dilemma derived from Stalin's demands for joint control of the Dardanelles. When negotiations for this joint control failed, Stalin stationed troops near the Turkish border. Meanwhile, Greece faced a political **vacuum** and civil war following the withdrawal in October 1944 of Nazi occupation forces from the war-ravaged land. **EAM-ELAS** rebels received outside assistance from Communist Yugoslavia and neighboring Albania and Bulgaria, and inflicted havoc on the unstable Greek monarchy. Great Britain, aware that Greece was an important Middle Eastern **sphere of influence**, supported the country's right-wing government.

Part 2

"Greece is not a rich country. Lack of sufficient natural resources has always forced the Greek people to work hard to make both ends meet..."

When forces of liberation entered Greece they found that the retreating Germans had destroyed virtually all the railways, roads, port facilities, communications, and merchant marine. More than a thousand villages had been burned. Eighty-five percent of the children were **tubercular**. Livestock, poultry, and draft animals had almost disappeared. Inflation had wiped out practically all savings...

As a result of these tragic conditions, a militant minority, exploiting human want and misery, was able to create political chaos which, until now, has made economic recovery impossible..."

President Harry S. Truman, March 12, 1947 in an address recommending aid to Greece and Turkey.

CONDITIONS IN TURKEY - 1947

Conditions in Turkey were not as desperate as those in Greece, but the country was still experiencing severe economic problems and threats from the Soviet Union at its borders. By 1945 agricultural output had fallen to 70 percent of the 1939 figure, and per capita income had fallen to 75 percent. Inflation was strong: official statistics show a rise of 354 percent between 1938 and 1945, but this figure probably understates the fall in the value of money, which in 1943 was less than one-fifth its 1938 purchasing power.

Turkey clung to neutrality until an **Axis** defeat became inevitable; it entered the war on the **Allied** side on Feb. 23, 1945. The great expansion of Soviet power exposed Turkey in June 1945 to Soviet demands for control over the **Dardanelles Straits** and for the **cession** of territory in eastern Asia Minor. It was also suggested that a large area of northeastern **Anatolia** be ceded to Soviet Georgia. This caused Turkey to seek and receive U.S. assistance; U.S. military aid began in 1947 (providing the basis for a large and continuing flow of military aid), and economic assistance began in 1948.