The Famine in the Major Athens Agglomeration and Dealing with It, 1941–1942

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Early in the 1960s, when the trial of Adolf Eichmann took place in Jerusalem, the defence cited as witness Max Merten, counsellor of Salonika's military administration [Kriegsverwaltungsrat] during the 1941–1944 occupation of Greece by the Axis Powers.[1] Eichmann refused Merten's testimony at last;[2] notwithstanding, it was thanks to Merten that the names of Greek officials who had collaborated with the German authorities were mentioned during the hearing of the case; and one of them was that of Kōnstantinos Karamanlēs, prime minister of Greece from 1955 to 1963. The evidence has been recently published in Greece[3]; and so is explained the uniqueness of Merten's case.[4] In point of fact, he was arrested in Greece in April, 1957, brought to trial as a war criminal, but rapidly released. He returned to Germany, where he died in 1971.[5]

GREEKS AND GERMANS IN 1941

The Merten's or rather the K. Karamanlēs's case may be regarded as typical of the Greek people's attitude vis-à-vis the occupation of Greece by the Axis troops and mainly the Germans. Apathy was the prevailing sentiment among the Greeks; and this apathy often grew to be sympathy. Although the political leaders of the country, Iōannēs Metaxas for instance, i.e. the 1936–1941 dictator, were dead sure that Great

1 Hannah Arendt, Eichmann en Jerusalén. Translated to Spanish by Carlos Ribalta, Barcelona 2005, p. 276; cf. Alberto Rosselli, Breve storia della Guerra civile greca, 1944–1949, Rome 2009, pp. 35–36.
2 Hannah Arendt, Eichmann en Jerusalén, p. 276.
3 Dēmosthenēs Koukounas, Ta enocha mystika tēs Katochēs [The Guilty Secrets of Greece's Occupation], vol. I, Athens 2015, pp. 383–387.
4 Hannah Arendt, Eichmann en Jerusalén, p. 276; Christophoros Petritēs, "Hypothesē Merten" [The Merten Case], Lavyrinthos(Athens), No 37 (July 2006), pp. 53–64.
5 Christophoros Petritēs, "Ta mystika tou Merten" [The Secrets of Merten], Lavyrinthos, No 37 (July 2006), pp. 49–50.

Britain and the potential allies would win the war,[6] the great majority of the military liked the Germans and, in fact, did not resist the German invasion. The very facts that no Greeks were held in captivity and that the officers of the Greek Armed Forces continued to be paid their salaries for positions that required no work may be considered to be the evidence of such a benevolent disposition. Why so? As far as one can see, the crucial point was the attitude of the Greeks during the First World War; for they had suffered a lot in order to defend Constantine, King of Greece — and a notorious Germanophile. What is more, the underground movements that were formed in 1941 had nothing to do with action against the occupation troops. The main –if not the unique– problem was the government of Greece after the end of the conflict.[7] In other words, would Greece be a Kingdom or a Republic? All other matters were practically ignored.

The point, however, is the attitude of the Greek people vis-à-vis the 1941 occupation of Greece by the Axis troops and mainly the Germans? Apathy and opportunism were the prevailing sentiments among the Greeks;[8] and this apathy often grew to be sympathy. According to German sources, in fact, 60% of the Greeks had sympathy with the Germans in the summer of 1940.[9] Although the political leaders of the country, Iōannēs Metaxas for instance, i.e. the 1936–1941 dictator, were dead sure that Great Britain and the potential allies wouldwin the war,[10] the great majority of the military liked the Germans and, in fact, did not resist the German invasion. The very facts that no Greeks were held in captivity and that the officers of the Greek Armed Forces continued to be paid their salaries for positions that required no work may be considered to be the evidence of such a benevolent disposition.

Why so? As far as one can see, the crucial issue was the attitude of the Greeks during the First World War; for they had suffered a lot in order to defend King Constantine's neutralist position. In order to fully grasp the importance of this, it is necessary to briefly deviate from our subject.

THE FIRST WORLD WAR AND THE NATIONAL SCHISM OF THE GREEKS

King Constantine of Greece (1868–1923) had studied in Germany, and married to Sophia, the very sister of Kaiser Wilhelm II. He ascended the throne in 1913, i.e. during the Balkan Wars and after his father, King George I, had been mysteriously assassinated in Salonika; and the Greek victories against the Ottomans and the Bulgarians (1912–1913)

6 Iōannēs Metaxas, To prosōpiko tou hēmerologio [The Diary of Iōannēs Metaxas], vol. IV, Athens n.d., pp. 487 (entry of August 2, 1940), p. 524.

7 Hēraklēs Petmezas, Ethnikē Antistasē kai koinōnikē Epanastasē [National Resistance and Social Revolution], Athens 1991, pp. 88–90.

8 E. P. Kavvadias, Ho nautikos polemos tou 1940 hopōs ton ezēsa [The 1940 Naval War, as I experienced it], Athens 1950, pp. 338–339.

9 P. K. Enepekides, Die griechische Widerstandsbewegung, 1941–1944, auf Grund der Geheimakten der Wehrmacht in Griechenland, Athens 1964, p. 117.

10 Iōannēs Metaxas, To prosōpiko tou hēmerologio, vol. IV, Athens n.d., pp. 487 (entry of 2 August 1940), p. 524.

rendered him worthy of the troops' adulation. Nevertheless, at the outbreak of the Great War in August 1914, the sovereign's attitude proved to be a critical factor in a European context. For it was then that Greece differentiated her stance from Serbia, her neighbour and traditional ally, by staying aloof from the conflict. Still, Turkey's entry into the Great War in October 1914 drastically altered the situation. For a victorious Ottoman Empire would be regarded as a perilous threat to the Kingdom of Greece. That is why the Prime Minister, Eleutherios Venizelos, a statesman gifted with unusual diplomatic skills, opted for Greece to join the war on the side of the Entente. Yet the King was adamant: the country's interest demanded a staunch neutral position to the conflict.[11]

Was Constantine a friend of Kaiser's and an enemy to the Entente? That was the thinking of the most influential Allied leaders; for he was suspected by them of supporting the Germans, who wished for a neutral Greece. In fact, they believed that King Constantine had missed no opportunity in serving his brother-in-law, namely Kaiser, and selling out the Entente. The whole situation reached a climax, when Fort Rupel, an important strategic point in Macedonia, was handed over to the Germans and the Bulgarians in May 1916.[12]

All of those accusations were eventually true. Nonetheless, the Entente Cordiale Powers did not accept the "other side of the coin", i.e. that King Constantine, the "Kaiser's brother-in-law" was backed by almost the whole population of "Old Greece", i.e. the traditional core population of the Greek State, namely the Peloponnese, Mainland Greece, the southern part of Epirus, and the Cyclades islands. The peasantry and the middle social strata adored the sovereign; and they wholeheartedly shared his thinking regarding the necessity of an authoritarian way of ruling. As a matter of fact, in King Constantine's mind the Crown was nothing less than the so to speak "physical" expression of the will of the People, in other words of God's Will. (<*Vox populi, vox Dei*.) And the Army was a "hand provided by God" for imposing the will of the People — and castigating the latter's foes, as well. Significantly enough, the sovereign's bitterest enemies were counted among the influential members of the wealthy Greek communities in Western Europe; and his followers were easily distinguished, because they were shabbily dressed.[13]

In short, the armed supporters of King Constantine, better known as *Epistratoi* [Reservists of the (Regular) Army], may be regarded as a well organised proto-Fascist movement in Europe.[14]

11 Dimitris Michalopoulos, King Constantine of the Hellenes. An Outline of his Personality and Life, Parnassos (Athens), vol. XLVIII, 2013, p. 356ff.

12 Gnōmateusis tou eisēgētou tou A Diarkous Stratodikeiou Styl. A. Kolokytha kata tou teōs Genikou Hellēnikou Epiteleiou [Pronouncement of Styl. A. Kolokythas, reporter to the First Permanent Court Martial against the former General Staff of the Greek Army], Athens 1919, pp. 19–102.

13 Iōannēs Metaxas, To prosōpiko tou hēmerologio, vol. II, Athens n. d., pp. 645–646 (letter of Iōannēs Metaxas to his Wife, Athens, 11/24 November 1920).

14 Dēmētrēs Michalopoulos, Hē Xechasmenē Epanastasē. Hoi Hellēnes Epistratoi kai ho Agōnas tous, 1916–1920 [Forgotten Revolution. The Greek Reservists and their Struggle, 1916–1920], Athens 2014, p. 125.

However, Eleutherios Venizelos resigned the premiership on 6 March 1915. Nonetheless, no later than a couple of months, elections were held in the Kingdom of Greece; and Venizelos' Liberal Party won them. As a result, Constantine summoned anew Venizelos to form a government. So it was done; still it was then that the prime minister crossed the Rubicon. For he invited Entente Cordiale troops to land in Salonika. His justification was the prospect of Bulgaria's entering the world war, as an ally of the Central Empires (put into effect on 12 October 1915). Yet the King dug his heels in on the issue and continued to have a neutralist attitude — unlike Venizelos who was trying to force the Greeks to get involved in the conflict.

Be that as it may, shortly after the Entente troops' landing in Salonika, the King sent for the premier and demanded his resignation. The latter gave way but later stirred up a military coup in Northern Greece. As a result, in 1916 there were two Greeces: the so-called Salonika one, i.e. Macedonia, Crete and the islands of the eastern Aegean Sea and another with Athens as capital, composed of Epirus, Mainland Greece, the Peloponnese, Euboea and the Cyclades. The National Schism of the Greeks was now a fact.[15] What is more, the royal government, in order to counterbalance the Entente Cordiale, namely the Franco-British occupation of Salonika, it handed Fort Rupel, in Macedonia, to the Germans and the Bulgarians. Consequently, in November 1916 Entente troops tried to occupy Athens, but they were repulsed by the King's supporters; and Sophia, the Queen consort of Greece, cabled the following message to Wilhelm II, German Emperor and her brother: "L'armée et le people combattirent de façon magnifique et tin tinrent fidèlement. La page s'est tournée, c'étant une grande victoire contre quatre grandes Puissances des quelles les troupes fuirent devant les Grecs…"[16]

The consequence of the victory of the royalist forces was the severe naval blockade of Southern Greece by British and French gunboats that inflicteda large number of casualties.[17] The unavoidable outcome occurred in 1917; the Entente Powers demanded that King Constantine be removed. A German intervention in his favour was unfeasible by then; thus Constantine settled in Switzerland. Still, he did not abdicate but simply handed the reins of the Kingdom over to Alexander, his second son; for his elder son, George, i.e. the Crown Prince was regarded as openly pro-German.

From 1917 onwards, El. Venizelos ruled Greece as a "parliamentary dictator"; his political dogma was clear-cut: "Greece can never progress, or even exist, as a free and

15 See the book by Andrew Dalby, Eleftherios Venizelos. The Peace Conferences of 1919–23 and Their Aftermath, London 2010, pp. 66–75.

16 Dēmētrēs Michalopoulos, "Hē kata ton A' Pankosmio Polemo allēlographia tou hellēnikou Vasilikou zeugous me ton Autokratora tēs Germanias" ["The Correspondence between the Royal Couple of Greece with the German Emperor during the First World War"], Anakoinōseis hēmeridos (16 Martiou 2006) gia tēn epeteio tou thanatou tou Eleutheriou Venizelou [Proceedings of the Conference for the anniversary of Eleutherios Venizelos' death (16 March 2006)], Athens 2007, document No. 27, p. 109.

17 Historikon Archeiontou Hypourgeiou Exōterikōn [Historical Archive of the (Greek) Foreign Ministry, hereafter as AYE], Kyvernēsis Thessalonikēs, A/7, letter of the Athens Medical Association to Spyridōn Lampros, prime minister of Greece, Athens, 10 April 1917.

independent state except by continued maintenance of the closest contact with the Powers that rule the Mediterranean."[18]

The followers of King Constantine suffered cruel persecution for their pro-German beliefs. Nonetheless, in October 1920, Alexander, the locum tenens of his father, died from the bite of a pet monkey. Meanwhile, Smyrna was occupied by the Greek Army and a fresh Greco-Turkish war had already started. Venizelos decided to renew his mandate. Accordingly, the elections were held on 1 November 1920: Venizelos' Liberal Party suffered a crushing defeat and Constantine returned to Greece in December of the same year. The war against the Turks in Anatolia continued. Yet the attitude of the British government was clear-cut: "[...] and certainly it would be very wrong to embroil ourselves [...] for the sake of securing an Empire for King Constantine and his German entourage."[19]

What came after is well known: the Greeks suffered a disaster in Asia Minor at the hands of the Nationalist Turks (summer 1922). King Constantine was dethroned and died in Palermo, Sicily, from azotaemia. A couple of weeks earlier the heads of royalist administration, held responsible for the Catastrophe in Anatolia, were put to death. On 24 March 1924 moreover Greece was proclaimed a republic. Monarchy was restored no sooner than 1935; and in 1936 Iōannēs Metaxas, a retired Army general, imposed a dictatorial regime that had the approval of King George II (the aforementioned elder son of King Constantine). King George and Metaxas ruled the country jointly. They were considered to be pro-German; as aforementioned, nonetheless, after the outbreak of the Second World War both were convinced of Britain's final victory.[20] Meanwhile, Venizelos had passed away, while in Paris, in March, 1936. Most likely, he had been murdered; for towards the end of his political career had changed his mind and advocated Greece's alliance with the Fascist Italy.[21]

THE 1940–1941 FAMINE

Italy declared war on Greece late in October, 1940. Greece had by then a population of 7,330,000 people; the 48% lived by non-agricultural occupations, and 23% dwelled in the four major country's agglomerations, namely Athens (and Piraeus), Salonika, Patras and Volos.[22] Workers in these four cities were more or less controlled by the Communist Party of Greece [Kommounistiko Komma Helladas/K.K.E.], founded in

18 Andrew Dalby, Eleftherios Venizelos, p. 67.

19 Parliamentary Archives (London), LG/F/206/4/24, War Office Memorandum on the Situation in the Middle East (16 December 1920).

20 See supra, note 6.

21 See the letter he sent on 12 March 1936 to his friend Alekos Zannas. (Phaidōn Boumpoulidēs (ed.), Ho Eleutherios Venizelos kai hē politikē katastasis tēs Hellados. Agnōsta kai anekdota engrapha tōn etōn 1920–1922 kai 1934–1936 [Eleutherios Venizelos and the Political Situation in Greece. Unknown and unpublished documents of the years 1920–1922 and 1934–1936], Athens 2000, document No. 487, pp. 688–690.

22 David H. Close, The Origins of the Greek Civil War, London and New York 1995, p. 1.

1918.[23] It is noteworthy that, prior to the German aggression on the Soviet Union, the Greek Communists had adopted a rather friendly stance vis-à-vis the Third Reich. Further, the sympathies of Southern Greece's population were with the Germans; for the memories of the First World War were still vivid. That is why the underground movements that were formed in 1941 had nothing to do with action against the occupation troops. The main — if not the unique — problem was the government of Greece after the end of the conflict.[24] In other words, would Greece be a Kingdom or a Republic? All other matters were practically ignored.

Yet things changed dramatically during the 1941–1942 winter, when a famine without precedent hit the population of Athens and Piraeus. Huge was the number of the fatalities during six critical months (October, 1941–March, 1942) and so the first guerrillas appeared in the mountainous regions of the country in the summer of 1942.

The main problem, nonetheless, has to do with the cause of the starvation; for as already mentioned the victims were mainly dwellers of Athens and Piraeus. In other districts of Mainland Greece famine in practice did not exist;[25] whilst in the Archipelago Islands, namely Mytilene, Chios, Samos, and Ikaria, where shortage of foodstuffs did took place because all communications were cut off after the Axis troops captured Greece, starvation was met thanks to the solidarity of the Turkish Government and Turkish Public Opinion.[26] Thus, what did really occur in the Athens area?

As far as the facts may be known, many factors are to blame for the 1941–1942 famine in the major Athens area; namely:

1. The shortage of grain. Greece was never a self-sufficient country. Her main products then were (and still are) olive oil and raisin.[27] As a result, grain had to be imported; and normally, during the immediate pre-war period, namely the years 1936–1939, there was need of about 539,000 tons of grain to be purchased abroad every year.[28] Before the occupation, therefore, of Greece by the Axis Powers, the Greek government had bought a large quantity of cereals in Australia, but these cereals did not reach Greece in a timely manner, and after the spring of 1941 the country being subject to the British naval blockade, grain was totally wanted.[29] Needless to say that the British had a strong argument in their favour: the legal and moral responsibil-

23 Alberto Rosselli, Breve storia della Guerra civile greca, pp. 20–21.

24 Hēraklēs Petmezas, Ethnikē Antistasē kai koinōnikē Epanastasē, pp. 88–90.

25 Dēmosthenēs Koukounas, Historia tēs Katochēs [A History of the Occupation of Greece (by the Axis Powers)], 2, Athens 2009, p. 193.

26 AYE, 1942, 8.5, Raphaēl Raphaēl, Greek minister at Ankara, to the Greek Legation at Cairo, dispatch No 3437, Ankara, 17 July 1942; Aristomenēs Mēliaresēs, head of the Greek Consulate at İzmir, to the Greek Legation at Ankara, dispatch No 1250, İzmir, 12 July 1942.

27 AYE, 1944, 1.7, "Report on the victualing in Greece".Cf. "Griechenland stellt sich um", Deutsche Allgemeine Zeitung (Berlin), August 11, 1942; cf. Hermann Neubacher, Sonder-Auftrag Südost, 1940–1945. Bericht eines fliegenden Diplomaten, Göttingen 1957, p. 75.

28 The relevant documents: AYE,1944, 1.7; cf. Ēlias Chaïdemenos, Ho Golgothashenoslaou [The Golgotha of a People], Athens 1980, p. 33 (note).

29 AYE,1942–1943, 8, S. Kapetanidēs, Greek consul general at Istanbul, to R. Raphaēl, dispatch No 78, Istanbul, 11 January 1943; Alexandros Argyriou, Mnēmēs kai lēthēs sēmantika kai asēmanta [Facts Worthy and Unworthy Mentioning], Athens 2013, p. 39.

ity for feeding the Greek population rested with the occupying Powers;[30] and legally speaking they were right.

2. From 1923 onwards, i.e. when ca. 1,500,000 Christian people left Asia Minor and compulsorily immigrated in Greece, the rush to the towns, especially to Athens and The Piraeus, spread quickly. The countryside was somewhat deserted; and as a result any serious effort to achieve food self-sufficiency was abandoned in Greece.[31]

3. Athens and, generally speaking, the whole of Southern Greece was an Italian occupation zone. In the Peloponnese, for instance, as late as January, 1943, there were only Italian troops (10,000 at Kalamata, 22,000 at Tripolis and 1,500 at Xylokastron)[32]. As a matter of fact, only the road from Athens to Larissa, Thessaly, was defended jointly by Italian and German troops.[33] Yet the Italians put initially obstacles as far as the transportation of foodstuffs from the provinces to the major Athens area was concerned.[34]

4. Given that Athens and Piraeus from the 27th of April, 1941, to the 25th of June of the same year, were occupied solely by the Germans, the military of the occupation power used the famous "occupation marks" to buy goods. These "occupation marks" (200,000,000 in circulation in May 1941)[35] were practically valueless and their lack of value in combination with the gold reserves of the Bank of Greece having been mostly transported into Southern Africa, before the Germans captured Athens, had as a result the drachma's galloping inflation.

5. If truth be told, the main causes of the famine were Greeks. In point of fact, the shortage of foodstuffs, aggravated because of a very cold winter (November, 1941–March, 1942) led rapidly to the flourishing of the black market, a phenomenon almost unique in occupied Europe by then.[36] Peasants, having smelt the chance of huge profit, used to sell their products at high prices to everybody that could reach the provinces. Consequently, on account of the forbearance of the Greek authorities:[37]

30 AYE, 1942–1943, 8, R. G. Casey to the Greek Orthodox Patriarch of Alexandria (letter) 13 July 1942 (no place given).

31 Donau Zeitung (Belgrade), 23 July1942; Deutsche Allgemeine Zeitung, August 11, 1942; Zora(Sofia), 25 October 1943.

32 AYE, 1943, 17. 4, Chrēstos Diamantopoulos, Greek minister at Washington, D. C., to Emmanouēl Tsouderos, Prime Minister and Foreign Minister of Greece (in exile), dispatch No 351, Washington, D. C., 17 February 1943. Italian general Carlo Geloso was the commander-in-chief of the occupation troops in Greece, i.e. 15 Italian divisions (300,000 men) and 25,000 Germans. (AYE, 1942–1943, 8, Report on the situation in Greece [signed: Anisas].)

33 AYE, 1943, 17. 4, Ch. Diamantopoulos to E. Tsouderos, dispatch No 351, Washington, D. C., 17 February.

34 Ibid.

35 AYE, 1942, 11.5, Kimōn A. Kollas, Greek minister at Lisbon, to the Foreign Ministry of Greece (Cairo, Egypt), dispatch No 999/B, Lisbon, 18 September 1942.

36 Ibid.; cf. the statement of Fritz Sigl, a Wehrmacht officer, in Donau Zeitung (Belgrade), 3 September 1942.

37 AYE, 1943, 26.2, Vasileios Dendramēs, Greek minister at Buenos Aires, to the Foreign Ministry of Greece (Cairo, Egypt), dispatch No 1276, Buenos Aires, 15 July 1943. (According to information given to V. Dendramēs by Raymundo J. Pascal, consul of Uruguay at Athens till April 1942.).

"[...] barristers, physicians, workmen, merchants and even gendarmes made of their offices agencies of the black market, the great capitalists, behind the scenes, having all the strings in their hands."[38]

As result the prices were dramatically increased. For instance, the price of one *oka* (1,280 grams) of wheat was 9 drachmas in the spring of 1941; 500 drachmas on 18 October 1941; 1,350 drachmas on 15 January 1942; 3,000 drachmas; and 5,000 drachmas on 15 July 1942.[39]An *oka* of beef was 40 drachmas at the beginning of Greece's occupation; 550 drachmas on 18 October 1942; 1,400 drachmas on 15 January 1942; 3, 500 drachmas on 15 May 1942; and 4,500 drachmas on 15 July 1942.[40] The price of an *oka* of olive oil was 46 drachmas in the spring of 1941; 800 drachmas on 18 October 1941; 1,800 drachmas on 15 January 1942; 4,500 drachmas on 15 May 1942; and 9,000 drachmas on 15 July 1942.[41] And so on.

Of course, also the mortality rate increased dramatically: 951 deaths in Athens in January 1940; and 4,476 in January 1942; 790 in May 1940 and 2,006 in May 1942.[42]

The Athens Occupation Government tried to confront the acute problem by creating a special Price Control Service, staffed mainly with Army commissioned officers.[43] Still, the results were poor, though the German authorities did not hesitate even to publicly hang the black market protagonists that they managed to arrest.[44]

The first great relief to the Athens and Piraeus populations came from the British side, thanks to the intervention of the Athens Archbishopric and the Greek Orthodox Patriarchate of Alexandria. For the British at last allowed Canadian wheat into Greece.[45]As a result, in August, 1942: "[...] in Athen Volksküchen eingerichtet worden, die am Tage 500.000 Personenspeisen".[46] In the summer of the same year, 1942, it was Mussolini that paid a visit to the Greek capital and discussed the problem with his Greek opposite number, Geōrgios Tsolakoglou, as well as Sōtērios Gkotzamanēs, Greek Minister of Finance.[47] Yet the situation was always

38 AYE, 1942–1943, 2.8, Memorandum on the Starvation, addressed to the Greek Government in exile (1942 [unsigned]).

39 AYE, 1942, 8.5, La situation alimentaire en Grèce — juillet 1942; attached to the dispatch No 3741 of R. Raphaēl to the Foreign Ministry of Greece (Cairo, Egypt), Ankara, 6 August 1942.

40 Ibid.

41 Ibid.

42 Ibid.

43 Geōrgios Bakos, Minister of National Defence, to the Minister of Provisioning, Ref. Number E.P.7561, Athens, 27 October 1941. (Private archives collection named after Nikolaos Voulgarēs, Athens.)

44 D. Koukounas, Hē hellēnikē oikonomia kata tēn Katochē [The Greek Economy during the Occupation (by the Axis Powers)], Salonica 2013, p. 85.

45 AYE, 1942–1943, 3.8, letter of R. G. Casey to the Greek Orthodox Patriarch of Alexandria, 13 July 1942.

46 Berliner Börsen-Zeitung, 22 August 1942.

47 AYE, 1942–1943, 3.8, K. A. Kollas to the Foreign Ministry of Greece at Cairo, Egypt, dispatch 904/B, Lisbon, 21 August 1942; Völkischer Beobachter, 27 July 1942; Il Popolo di Roma, August 6, 1942.

alarming.[48] Thus the final solution to the problem was provided by Hermann Neubacher (1893–1960), who reached Greece in the last week of October 1942,[49] as the special plenipotentiary envoy of the Reich for economic and financial questions in Greece (Sonderbeauftragter des Reichs für wirtschaftliche und finanzielle Fragen in Griechenland).[50] Before leaving Berlin, Neubacher had a meeting with the Foreign minister, Joachim von Ribbentrop, who was explicit: "The point is that you should immediately allow a dozen big speculators to be hanged" ["Das Wichtigsteist, daß Sie so fort ein Dutzend Großspekulanten aufhängenlassen."].[51] To speak the truth, Von Ribbentrop was right; yet Neubacher was able to find milder ways.

NEUBACHER'S CREDITABLE PERFORMANCE

On October 31, 1933, Edvard Beneš, Foreign Minister of Czechoslovakia by that time, delivered a speech before the Foreign Affairs Committee of the Parliament and the Senate, on the German Revolution's impact as far as Central Europe's economic question were concerned. Beneš explained that the National-Socialist revolution in Germany was going to have serious consequences on Europe's economic life. For now "Economic Nationalism" was prevailing and the principles of the planned economy (économie dirigée) were dominating.[52]

He was right. As a matter of fact, the Greek Occupation Government tried to face the 1941–1942 starvation in Athens and The Piraeus according to the rules of planned economy and State interventionism. If truth be told, the strict observance of State interventionism's precepts had proved successful in Italy during that same period. In point of fact, when Italy declared war on the United Kingdom and France, she was unprepared to do so; because Italy was by no means a self-sufficient country. As a result, the black market began flourishing, but thanks to the measures taken by the Fascist Government it was speedily checked.[53]

Almost the same action was taken in Greece from the autumn of 1941 onwards; but in vain. Thus, it was Neubacher that came to Greece in order to rescue the situation. Neubacher was a talented architect, *Landesleiter* of the National-Socialist Party in 1935, Mayor of Vienna from 1938 to 1940,[54] special economic adviser at the German

48 AYE, 1942, 7.1, Bulletin d'informations de l'ambassade britannique à Lisbonne, No 40, 22 August 1942.

49 H.Neubacher, Sonder-Auftrag Südost, 1940–1945, p. 75; Il Popolo di Roma, 27 October 1942.

50 H. Neubacher, Sonder-Auftrag Südost, 1940–1945, p. 72–73; newspaper Prōïa (Athens), 28 October 1942.

51 H. Neubacher, Sonder-Auftrag Südost, 1940–1945, p. 73.

52 Édouard Beneš, La révolution allemande et la nouvelle phase de la politique européenne. Les questions économiques de l'Europe centrale, Prague 1933, pp. 40, 45.

53 AYE,1941–1943, S. N. Marketēs, Greek minister to Switzerland, to the Greek Foreign Ministry (in exile), Bern, dispatch No. 1470.N/20, Bern, 22 November 1942. Cf. "Italien im Kampf gegen Inflation", Der Bund (Bern), April 14, 1942.

54 H. Neubacher, Sonder-Auftrag Südost, 1940–1945, p. 39.

legation in Bucharest, Romania [Sonderbeauftragter für Wirtschaftsfragen bei der deutschen Gesandtschaft in Bukarest, 1940–1942][55] and at last special plenipotentiary envoy to Greece.[56] He was assisted by the Italian Alberto d'Agostino, general director of the "Banca Commerciale Italiana"[57](replaced in the spring of 1943 by the industrialist Vincenzo Faggiuoli).[58] The cooperation between Neubacher and A. d'Agostino was excellent,[59] but it was Neubacher that had the chief role. He grasped at once the problem and had a really brilliant idea: instead of tightening the grip of the government on the economy, he preferred to relax it.[60] In fact, the black market was officially "recognised"[61] and the antagonism between the merchants themselves brought about a spectacular fall of foodstuff prices.[62] For instance, an *oka* of olive oil used to cost 28–30,000 drachmas in October, 1942, and only 8–10,000 drachmas in January, 1943; and an *oka* of bread, the price of which was 12–14,000 drachmas in October, 1942, used to cost merely 2–3,000 early in 1943.[63] At the same time, he persuaded the Italian occupation authorities in Southern Greece to allow foodstuffs to be transported from the Peloponnese and Mainland Greece into Athens and The Piraeus,[64] and he banned the exportation of essential victuals, such as olive oil, from Greece to Germany.[65] Moreover, he allowed the vessels transporting from Venice or Trieste foodstuffs to The Piraeus to have British seamen on board.[66] Thus, as early as autumn of 1942, i.e. a couple of weeks after H. Neubacher reached Greece, starvation in Athens and The Piraeus was stamped out.[67] It was a real "miracle" [Wunder].[68] Needless to say that Rommel's defeat in Africa had a part in that "miracle".[69]

Another important step taken by him later, in 1943, was the importation to Greece from Germany of 1,000,000 gold sovereigns, in order to curb the inflation.[70] The

55 Ibid., pp. 39–49.
56 D. Koukounas, Hē hellēnikē oikonomia kata tēn Katochē, p. 131ff.
57 H. Neubacher, Sonder-Auftrag Südost, 1940–1945, p. 74.
58 Ibid., p. 86.
59 Ibid.
60 Ibid., p. 72–73.
61 Ibid., p. 76.
62 AYE, 1943, 17.4, Ch. Diamantopoulos to E. Tsouderos, dispatch No 351, Washington, D. C., 17 February 1943.
63 Ibid.
64 Ibid.
65 Zur Ernährung Griechenlands, Der Bund (Bern), October 30, 1942.
66 D. Koukounas, Hē hellēnikē oikonomia kata tēn Katochē, 141.
67 AYE,1942, 8.5, R.Raphaēl to the Foreign Ministry of Greece (Cairo, Egypt), dispatch No 4766, Istanbul, 2 October 1942; AYE, 1944, 24.1, Geōrgios Exēntarēs, Resident representative to the Control Commission for Italy, dispatch No 2352, Rome, 15 November 1944; cf. Ē. Chaïdemenos, Ho Golgothas henos laou, p. 56.
68 H. Neubacher, Sonder-Auftrag Südost, 1940–1945, p. 76.
69 Ibid., p. 77; AYE, 1942, 11.5, R. Raphaēl to the Foreign Ministry of Greece, telegram No 5713, Ankara, 23 November 1942.
70 H. Neubacher, Sonder-Auftrag Südost, 1940–1945, pp. 87–88; D. Koukounas, Hē hellēnikē oikonomia kata tēn Katochē, p. 141.

consent of Walther Funk, Reich Minister for Economic Affairs, was essential for this quick and sizable boost of gold [Goldintervention][71] into the moribund Greek economy.[72] As a matter of fact, in autumn, 1942, i.e. when Neubacher reached Athens, the parity of the golden sovereign was 600,000 drachmas, but in January, 1943, thanks to the "Herstellung eines freien Marktes in Griechenland"[73] by Neubacher, it was merely 75,000 drachmas.[74] In mid-1943, nonetheless, because of the Greek *Großspekulanten,* the aforementioned parity was 2,000,000 drachmas; still after Neubacher's *Goldintervention* fell to 900,000 drachmas.[75]

Nonetheless, the coin did have another side, a rather laughable one. The parity between the German and the Greek currencies was officially 1 Mark=60 drachmas,[76] whilst unofficially 1 Mark was worth several thousands of drachmas. So was done in order to favour the buying of German goods by the Greeks.[77] As a result, the German military who were purchasing Greek products, saw themselves deep in involuntary frugality,[78] whilst a lot of Greeks proved to be able to make fortunes — that still exist.[79]

Be that as it may, the point is that Neubacher's work was complemented by DEGRIGES (Deutsch-griechische Handelsgesellschaft),a German-Greek society created in 1942 as well, likely thanks to the initiative of Karl August Clodius (1897–1952),[80] a Neubacher's friend.[81] It was owing to DEGRIGES that shameless speculation and profiteering disappeared in occupied Greece[82] until the eve of Greece's evacuation by the German troops.[83] Somewhat later, namely from December, 1944 onwards, thanks to the Greek Civil War speculation in general and black market in particular flourished anew in Greece. But it is another story to be told...

It is not without interest that in August, 1944, when the German troops made preparations for Balkans' evacuation, Neubacher met Adolph Hitler. The Führer asked Neubacher to create a Greek currency modelled on the German Renten-Mark. Neubacher answered that it would be contrary to the national temper of the Greeks. The relevant dialogue is somewhat amusing.[84]Adolph Hitler: "Machen Sie eine Renten-Drachme oder etwas ähnliches! Lassen Sie Banknoten drucken, die auf Gold-Drachmen lauten!" H. Neubacher: "Das würde nur eine Viertelstunde wirken, nämlich so-

71 H. Neubacher, Sonder-Auftrag Südost, 1940–1945, p. 87.
72 D. Koukounas, Hē hellēnikē oikonomia kata tēn Katochē, p. 141.
73 H. Neubacher, Sonder-Auftrag Südost, 1940–1945, p. 76.
74 AYE, 1943, 17.4, Ch. Diamantopoulos to E. Tsouderos, dispatch No 351, Washington, D. C., 17 February 1943.
75 H. Neubacher, Sonder-Auftrag Südost, 1940–1945, p. 87.
76 Ibid., p. 80.
77 Griechenland stellt sich um, Deutsche Allgemeine Zeitung, August 11, 1942.
78 Frankfurter Zeitung, 1 July 1943 (a report from Athens).
79 D. Koukounas, Hē hellēnikē oikonomia kata tēn Katochē, p. 85.
80 Ibid., p. 422ff.
81 H. Neubacher, Sonder-Auftrag Südost, 1940–1945, p. 39.
82 D. Koukounas, Hē hellēnikē oikonomia kata tēn Katochē, p. 422.
83 AYE, 1944, 14.7, Report on Greece No. 39, written by R. Raphaēl, Greek minister at Ankara, on 31 August 1944.
84 H. Neubacher, Sonder-Auftrag Südost, 1940–1945, p. 90–91.

lange, bis der erste Grieche für eine solche Banknote bei der Notenbankvergeblich Gold verlangt hat." Thus spoke Neubacher; and that was the end of his involvement in the economic and financial questions of Greece.

EPILOGUE

The German occupation of Greece ended in a peculiar way in the fall of 1944. The British had by then the total control of the Aegean Sea; and they had cut off the German troops stationed on the Greek islands from all connection with the mainland. So, Hitler tacitly, though reluctantly, consented to deal with the enemy. As a result: "the German units were permitted to embark and sail undisturbed to the mainland; in some cases the German vessels passed within visual range of British naval units. As a quid pro quo the German side had agreed to use these troops to hold Salonika against the Russians until the city could be taken over by British forces. When this operation was over — it had been proposed by Jodl — Hitler commented: 'This is the only time we have consented to anything like that'."[85]

Nonetheless, it was thanks to the *lato sensu* interpretation of the above deal,[86] that the German troops evacuated Greece without causing major ravages. Needless to say that such a conduct may be regarded as a benefit to the Greeks.

85 Albert Speer, Inside the Third Reich, translated from German by Richard & Clara Winston, London 1983, p. 537.

86 Cf. Walter Hagen, Die geheime Front, Vienna–Linz 1950, pp. 330–33.