Greek attitudes to the Spanish Civil War

Thanasis D. Sfikas

I Introduction

Research into a topic entitled "Greece and the Spanish Civil War" can go a lot further than the few hundred Greek volunteers who joined the International Brigades in Spain. It may, for instance, involve a comparison of the ideologies of Francisco Franco and Ioannis Metaxas. Were the two generals fascists? What were the differences and the similarities between the ideologies they represented? And what was the connection between Franco's *Nuevo Estado*, Salazar's *Nuovo Estado*, and Metaxas's $N\acute{e}ov K\rho\acute{a}\tau os$ – the Greek equivalent of the Spanish and Portuguese terms ? These are genuinely fascinating questions which, none the less, can be better answered after some more mundane groundwork has been done.

This groundwork must involve an examination of Greek attitudes to the Spanish Civil War, based on the interplay between ideology, foreign policy and economic necessity. The initial motivation for this approach was provided by an impression that while an enormous amount of attention has been paid to the study of the policies of the Great Powers towards the Spanish Republic and the Spanish Nationalists, so far no attention has been paid to the impact of Spanish developments on the diplomacy and security concerns of smaller states. This is understandable in view of the predominant role played by Germany, Italy, the Soviet Union, Britain and France in Spain in 1936-1939. Yet, as by far the most important issue in European diplomacy in the latter part of the 1930s, the Spanish Civil War had a major impact throughout the continent. The Eastern Mediterranean was no exception, as broader strategic concerns impelled the small states of the region anxiously to watch Spanish developments and the extent to which these were influenced by foreign intervention and non-intervention. Greece was particularly affected, not only because of the significant parallels in the historical evolution of the two countries in the period between c. 1860 and the mid-1930s, but also because of her delicate and complex relations with three of the outside actors of the Spanish Civil War – Britain, Italy and Germany.

In this light, and by way of an introduction, a study of Greek attitudes to the Spanish Civil War offers an insight into the "parallel lives" of the Second Greek Republic of 1924-1935 and the Second Spanish Republic of 1931-1936. The identification of such common features as may exist in the historical development of Spain and Greece paves the way for a comparative approach to what for both countries were the defining phases of their modern experience: the civil wars of 1936-1939 and of 1946-1949; both were caused by the breakdown of political legitimacy and what Raymond Carr described - referring to Spain, but historians of Greece will recognize the broader resonance of his formulation - as "a vast and perilous process of mass politicization", which in the eyes of the "respectable classes" signified "the sudden entry of uncultured barbarians into regions of power hitherto inhabited by their superiors."¹ In Spain the "invasion" took place during the years of the Second Republic; in Greece in the 1930s there existed only the prospect of such an "invasion", which did not occur until the early 1940s, spearheaded by the communist-led National Liberation Front under the Axis occupation.

On a more theoretical plane, if one of the features of contemporary Greek historiography is its introverted nature and hellenocentricity, one can only repeat G.B. Leontaritis's comment that the study of other nations' histories is of the utmost importance not in order to transplant some fashionable new methodology, but in order to remain ever aware of the dangers of a historical and historiographical ethnocentricity, which prevents the realisation of the peculiar function of space and time, obscures the insight into the human collective memory, and ultimately leads to a self-centred and "illusionist" perception of

¹ R. Carr, The Spanish Tragedy: The Civil War in perspective (London 1977), p. 59.

historical evolution at large and of "our position in a world system" more specifically.²

With this warning in mind, and aware of the fact that the history of Metaxas's Greece is usually gauged either in terms of Anglo-Greek relations or in terms of an anguished discussion as to whether the general was a fascist, inquiries into the foreign policy and internal features of Metaxas's Greece can be enriched by focusing on Greek attitudes to the Spanish Civil War. This will not only take into account the ideological impact of the event, which was to be expected, but will also reveal some interesting constraints, fears and opportunities which the Spanish *stasis* presented for Greece.

This article will first discuss briefly why the Second Spanish Republic and the Second Greek Republic lived "parallel lives". Secondly, it will address Greek reactions to the outbreak of the Spanish Civil War, focusing on its ideological impact on, and utilisation by, the Metaxas regime. Finally, introducing into the discussion Greek foreign policy concerns and the condition of the Greek economy in the 1930s, it will discuss the interplay between ideology, foreign policy and economic necessity with reference to Greece's arms trade in Spain during the civil war, the role of Greek merchant shipping, and Greek diplomatic attitudes to the international dimensions and implications of the conflict.

II Parallel lives

The view that, at least in some ways, Spain and Greece lived "parallel lives" from around the 1860s onwards emerges from a comparison of their historical chronologies. Economic development in both countries, even if dissimilar in origins, pace and extent, unleashed similar tensions; liberal revolutions in the 1860s led to constitutional monarchies with hopes for genuinely liberal democratic regimes; disappointment of such hopes led to the politics of stagnation and calls for substantial change; major national humiliations in foreign affairs – in 1897 and 1922 for Greece, in 1898 and 1921 for Spain – rocked the foundations of the

² G.B. Leontaritis, "Η μόνιμη - και ίσως αξεπέραστη - κρίση των ιστορικών σπουδών στην Ελλάδα", Σύγχρονα Θέματα 35-36-37 (December 1988) 122.

old order and strengthened demands for national regeneration. At first the monarchies paid the price, but ultimately democracy was the major victim. In the 1930s both Republics faced major political, economic and social crises to which the "respectable classes" responded with an attack on democracy. The intensity of the crisis differed in the two countries, though it is argued that civil war was a possibility in Greece even in the 1930s.³ This may well have been the case, but the response of the "respectable classes" was proportionate to the challenge. In Spain they interpreted the entire Republican experience since 1931 as the invasion of uncultured barbarians into the mansions of power, from where they tried to dislodge them by force of arms. In Greece the mere prospect that the barbarians might attempt a similar invasion prompted the "respectable classes" to do away with democracy. When the invasion actually took place in the 1940s, they too resorted to violence.

All this should not be seen as an over-zealous attempt to find parallels. Professor Edward Malefakis has pointed out that what distinguished the Second Spanish Republic from the roughly contemporaneous Republics in Greece, Portugal and even Weimar Germany was that at least in the first two years of its existence, it showed that its raison d'être was not simply to alter some political forms superficially, but to implement substantial reforms aiming at genuine national regeneration - something which the Second Greek Republic failed to do.⁴ Yet underlying the upheavals which characterise the historical evolution of both countries was the precedence of political liberalism over industrialisation. Raymond Carr observed that much of modern Spanish history is explained by the imposition of advanced liberal institutions on an economically backward and conservative society - which is reminiscent of Nikos Svoronos's comment on Greece: an agrarian country, with a low level of economic development, which presented political structures

³ G. Mavrogordatos, Stillborn Republic: Social coalitions and party strategies in Greece 1922-1936 (Berkeley 1983), p. 337.

⁴ E. Malefakis quoted in G. Esenwein and A. Shubert, Spain at War: The Spanish Civil War in context 1931-1939 (London 1995), p. 34; A. Rigos, H B' Ελληνική Δημοκρατία, 2nd ed. (Athens 1992), p. 311.

similar to those of the modern and advanced countries of the West⁵

Since a comparative history of the two countries prior to July-August 1936 would be a fascinating but much larger topic, suffice it to point out here that if the two Republics shared one difficulty in the early 1930s, it was the emergence of the underprivileged into the forefront of politics. Although the process was complete in Spain and only just beginning in Greece, the former served notice on the latter. This was suggested by the Greek liberal general Alexandros Mazarakis-Ainian, who in September 1936 noted with regard to the causes of the Metaxas dictatorship, which had been set up in Greece just over two weeks after the outbreak of civil war in Spain: "The fear of communism by the bourgeois classes and the events of Spain made many prefer to lose their liberties rather than their money."6

III The ideological impact of the Spanish Civil War on Greece Mazarakis's comment directly refers to the ideological impact which the unfolding Spanish stasis had on Greece. The historically keen interest which Greeks had demonstrated in Spanish affairs intensified after April 1931, when the liberalrepublican press in Athens hailed the advent of the Second Republic in Spain as proof of the bankruptcy of the institution of the monarchy and the virtues of democratic republics. Conversely, in 1935 the Carlists, the classic right-wing Catholic party in Spain, were arguing that monarchy was the trend throughout Europe at the time. When asked for evidence, they pointed to Greece, where in November 1935 the Second Greek Republic had been abolished and George II restored to the throne.⁷ From July 1936 on, the Greek press embarked on a daily and lengthy coverage of the civil war, sustained until the end. Censorship under the Metaxas dictatorship meant that all

⁵ R. Carr, Modern Spain 1875-1980 (Oxford 1980), p. 1; N. Svoronos, Επισκόπηση της Νεοελληνικής Ιστορίας (Athens 1985), p. 18. 6 A. Mazarakis-Ainian, Απομνημονεύματα (Athens 1948), p. 475.

⁷ See especially $E\lambda\epsilon i\theta\epsilon\rho\rho\nu B\eta\mu\alpha$ and $K\alpha\theta\eta\mu\epsilon\rho\nu\eta$, 1931-36; also M. Blinkhorn, Carlism and crisis in Spain, 1931-1939 (Cambridge 1975), p. 144; M. Morcillo Rosillo, "Οι ισπανο-ελληνικές σχέσεις και η Επανάσταση του 1868", Ίστωρ 6 (1993) 143-54.

Greek newspapers covered the conflict with a pro-Nationalist bias, with the exception of the liberal daily $E\lambda\epsilon\delta\theta\epsilon\rho\rho\nu B\eta\mu\alpha$, which, in return for its support for Metaxas, was allowed to present a more objective picture by publishing reports from Spanish Republican sources.⁸

The ideologues of the Metaxas regime, and occasionally their master himself, referred to the Spanish conflict in order to justify their own action in Greece on 4 August 1936. In a radio address six days after establishing the dictatorship, Metaxas told the Greek people: "None of you, except for the well-known demagogues and the deranged subversives, wants to see our land having the fate of the unfortunate Spain."⁹ The dictator returned to the subject in a speech on 2 October 1936, when he established a more direct link between Spanish and Greek developments. Referring to the situation on the eve of 4 August 1936, he said that Greece had faced a very real communist threat from the local agents of international communism:

In communism's general scheme of subversion, Greece was part of the greater game, and would have to be sacrificed when the time came, for the sake of the general catastrophe. And the time which had been decided for Greece was the 5th August. We acted in time, the previous day. You remain in no doubt about the danger which you had undergone. [...] You saw the whole game being played out before you. Witness Spain, a nation historic, courageous and proud, in order to reflect on the fate which would have awaited poor Greece.¹⁰

In arguing that Greece and Spain were parts of the greater game of communist subversion, Metaxas was alluding to a report which had been published in the leading royalist daily $K\alpha\theta\eta\mu\epsilon\rho\nu\eta'$ on 23 September 1936. That report consisted of extensive details from a document which allegedly had come into the possession of the Greek government from abroad. The headlines summed it up:

⁸ V. Georgiou, $H Zω\eta' μou$ (Athens 1992), p. 79; Public Record Office (PRO), London: FO 371/22371 R2032: Waterlow to Eden, 19 February 1938: Annual Report for 1937.

⁹ I. Metaxas, Απομνημονεύματα, Τόμος Δ΄ (Athens 1960), p. 652.

¹⁰ I. Metaxas, Λόγοι και Σκέψεις 1936-1941, Τόμος Α' (Athens 1969), p. 45.

The full plan of the Third International for the world communist revolution is being revealed. From abroad a common fate had been under preparation for Greece and Spain. The events of Thessaloniki [in May 1936, when a demonstration of tobacco workers had resulted in the deaths of twelve strikers] were the prelude to the revolution.

At the core of the communist conspiracy lay the formation of Popular Fronts, which had brought first Spain to the threshold of a communist revolution; France was to come second, and Greece third. The path to a communist takeover in Greece had been embarked upon in early 1936, when the fifteen communist deputies in the evenly balanced Parliament voted the leader of the Liberal Party to the Presidency of the Chamber, thereby offering the Liberals the required majority to form a government. This was the beginning of the Greek Popular Front which would soon have driven the country down the Spanish abyss, had it not been for Metaxas's action on 4 August 1936.¹¹

Metaxas himself does not seem to have made any more references to Spain, having apparently left the task to the ideologues of his regime. The most disagreeable endeavour to bring home the importance of the Spanish Civil War for the Greek people was an article by the journalist Achillefs Kyrou, published in September 1938 in $N\epsilon ov K\rho \alpha \tau os$, the monthly unofficial journal of the regime. Kyrou argued that in summer 1936 Spain and Greece had run the same danger – a "Bolshevisation" plan masterminded by international communism and the "Supreme Israelite Council". The moral for the Greeks came in an assault on those liberal politicians with Republican sympathies:

This is perhaps the most characteristic symptom of that blindness which afflicts some parliamentarians and democrats with regard to communism and which makes them not hesitate to accept the still bloodied hand of those butchers, supposedly in order to protect parliamentary convictions. It is precisely this disease which has caused parliamentarianism and liberalism to evolve into precursors [of] and prepare the ground for communism and has been one of the major causes of the bankruptcy of

¹¹ Καθημερινή (Athens): 23 September 1936.

parliamentarianism. Yet this blindness cannot even in the slightest begin to alter the great importance of the Spanish struggle which cannot but end in the final triumph of civilisation.¹²

In May 1939 this was complemented by a personal eulogy of Metaxas by the Greek ambassador in Spain, the retired admiral Periklis I. Argyropoulos:

If the left-wing Greek intellectuals were in a position to observe the Spanish tragedy and its results at close range, they would send thanks to the God of Greece, for giving You, Mr President, the moral strength to save our homeland from destruction through communism.¹³

Although these were strong and inflated endeavours to use the events in Spain as a means of justifying the Metaxas dictatorship, they do not add up to a sustained and systematic effort to exploit for domestic reasons the full propaganda value of the Spanish conflict. Considering that Metaxas and Franco shared each other's anti-communism, anti-parliamentarianism, social conservatism and non-aggressive nationalism, to account for such reticence is difficult. Perhaps no matter how useful the Spanish conflict was to Metaxas and his apologists, any sustained and systematic reference to it might have entangled Greece unnecessarily in the international dimensions of the conflict; or, perhaps more probably, Greece's unofficial activities in Spain, as will be discussed later, were incompatible with a moralising stance; or it had to do with Metaxas's contentment to draw similarities between his regime and that of the more peaceful Portugal under Salazar rather than Franco's war-torn Spain.¹⁴ Nevertheless, from the few public pronouncements on Franco's Crusade, it is hard to deny that the Metaxas regime sympathized with the Spanish Nationalist cause. The parsimonious manifestation of this sympathy was due to the

¹² Νέον Κράτος 13 (September 1938), 1006

¹³ Archives of the Greek Foreign Ministry (AGFM): A/13/2 (33): Argyropoulos to Metaxas, 8 May 1939, no. 731.

¹⁴ D. Close, "Conservatism, Authoritarianism and Fascism in Greece, 1915-1945", in: M. Blinkhorn (ed.), *Fascists and Conservatives* (London 1990), p. 209.

interplay between ideology, on the one hand, and foreign policy and economic necessity on the other.

IV Foreign policy

The two main concerns of Greek foreign policy in the 1930s were a revisionist Bulgaria, which aimed at securing a warm-water port in the Aegean Sea, and the Italian design for a new Roman Empire in the Mediterranean. Greek-Italian relations remained tense throughout the interwar period, as Mussolini's lack of any specific expansionist plan combined with his explicitly expansionist intent and bellicose rhetoric to create major problems of interpretation for Greek diplomats. Following Italy's bombardment and brief landing on Corfu in 1923, Greek-Italian relations appeared to improve after 1928, when a bilateral treaty of friendship was signed. Yet for Mussolini treaties were mere pieces of paper, occasionally useful as temporary expedients but with no binding value if the Duce felt that the circumstances had changed. Typical of his bullying demeanour was the humiliation he inflicted on the Greek Prime Minister Eleftherios Venizelos during a formal dinner: the Duce did not address a single word to him throughout, preferring instead to converse at length with the waiters.¹⁵

In April 1936, towards the end of the Ethiopian crisis, which raised the prospect of an Anglo-Italian clash in the Mediterranean, the alarmed Greek ambassador in Paris, Nikolaos Politis, cabled Athens that the staff of the Italian Embassy there were openly boasting that

Fascist Italy has not only won Ethiopia. With her perseverance and her power she has also prevailed over England and from now on the commencing battle with her will continue with a significant hope of success, until Italy's final domination in the Mediterranean.¹⁶

¹⁵ D. Mack Smith, *Mussolini* (London 1981), pp. 97, 154. On Bulgaria see FO 371/21147 R347: Waterlow to Eden, Annual Report for 1936, 1 January 1937; Y.D. Stefanidis, "Greece, Bulgaria and the approaching tragedy, 1938-1941", *Balkan Studies* 32.2 (1991) 293-307.

¹⁶ AGFM: A/i (33): Politis to Demertzis, 4 April 1936, no. 1211. See also J. Koliopoulos, "Anglo-Greek relations during the Abyssinian Crisis of 1935-1936", *Balkan Studies* 15.1 (1974) 99-106.

In view of this double threat from Bulgaria and Italy, Metaxas wanted Greece to be capable of facing Bulgaria on her own, while in the event of a general conflict she should ensure she was welcomed into the grand coalitions. Accordingly, his government built extensive fortifications in Eastern Macedonia and embarked on a major rearmament programme.¹⁷ Metaxas understood that Greece would need the backing of British sea power to counter the Italian threat, hence he was prepared to follow the British line in his foreign policy. With regard to events in Spain, he may have felt some sympathy for Franco, but given the extent of Italian intervention in Spain and the increasing likelihood that the Spanish Nationalists would win, the prospect of the Western Mediterranean coming under Italian influence was particularly alarming. Such fears were wholly justified, for Mussolini's intervention in Spain was the real turning-point in his foreign policy. From 1922 until the end of the Ethiopian war in May 1936, he had indeed been "running about biting everybody" - as the South African leader Jan Smuts had said of him as early as 1923,¹⁸ yet until July 1936 he had been careful enough not to sever all ties with the predominant power in the Mediterranean - Britain. His assistance to Franco marked a break with this hitherto consistent element in his foreign policy, aimed primarily at extending Italian influence in the Western Mediterranean through what Mussolini expected to be a swift victory for the Spanish Nationalists.¹⁹ The prolongation of the civil war was to prove a stark test for all European powers as it threatened to spark a war that would engulf most of the continent. This prospect to a large extent determined Greek official attitudes towards the events in Spain.

¹⁷ General Archives of the State (GAK), Athens, Metaxas Papers, File 83: Papagos to Metaxas, 22 May 1937, no. 39585; E.P. Kavvadias, Ο Ναυτικός Πόλεμος του 1940 όπως τον έζησα: Αναμνήσεις 2 Μαρτίου 1935-25 Μαρτίου 1943 (Athens 1950), pp. 103-4.

¹⁸ J. Barnes and D. Nicholson (eds.), *The Leo Amery diaries*, Vol. 1 (London 1980), pp. 348-9.

¹⁹ M. Blinkhorn, *Mussolini and Fascist Italy*, 2nd ed. (London 1994), pp. 42-9; D. Mack Smith, *Mussolini*, pp. 206-7.

V Economic necessity

The second major factor which must be taken into account in assessing Greek attitudes to the Spanish Civil War is the condition of the Greek economy in the 1930s, which called for export activities to provide desperately needed hard currency. In the 1920s the Greek economy was strained by the efforts to absorb and integrate the 1,300,000 refugees who fled into the country in the wake of the defeat by the Turks in Asia Minor in 1922. The efforts bore fruit by 1927, when the currency was stabilised and the economy began to grow again. The growth came to a halt in 1932 as a result of the world economic crisis. The means whereby the Greek liberal government of 1928-1932 pursued economic development were highly dependent on a liberal international economic order which would permit the influx of foreign capital to finance domestic development, as well as on a high export trade which would secure the foreign exchange needed to service Greece's foreign debt. It was precisely these two economic strategies that were adversely affected by the world economic crisis. The Depression of 1929-1932 meant for Greece a drastic reduction in the influx of foreign capital as international capital movement was severely restricted, and also a sharp drop in earnings from exports; especially with regard to the latter, Greece was particularly vulnerable as 70-80% of her export earnings came from the semi-luxury commodities of tobacco and currants.20

Following Greece's departure from the gold standard in April 1932, the gold cover of the Bank of Greece, which in September 1931 stood at \$28,847,934, was reduced to \$11,231,877 on 15 April 1932 and to \$2,336,000 by the end of the month; foreign exchange reserves, which in 1932 stood at 1,359 million drachmas, dropped to 49 million in 1935. To all intents and purposes, on the morrow of Greece's departure from the gold standard, the Bank of Greece found itself without any foreign exchange reserves. Emmanuel Tsouderos, Governor of the Bank,

²⁰ M. Mazower and Th. Veremis, "The Greek economy 1922-1941", in: R. Higham and Th. Veremis (eds.), *The Metaxas Dictatorship: Aspects of Greece*, 1936-1940 (Athens 1993), pp. 111, 115-16; M. Pelt, "Germany and the economic dimensions of the establishment of the Metaxas Regime", *Journal of the Hellenic Diaspora* 20.2 (1994) 41-2.

impressed upon the government the imperative need to rebuild the reserves through the revival of export trade.²¹ Moreover, in May 1932 Greece declared a unilateral moratorium on all interest and capital payments. The Bank of Greece, which estimated the country's total external debt at \$514,000,000, argued that this was necessitated by the fact that 80% of Greece's total export earnings and 40% of the state budget were being spent on the servicing of her foreign debt.²² As Sir Sydney Waterlow, the British ambassador in Athens, remarked, one of the principal consequences of Greece's default on her foreign debt was that "henceforth development would have to be financed out of her own resources".²³ The collapse of external trade would force Greek governments towards the path of autarky and the desperate search for rebuilding foreign exchange reserves. The Spanish Civil War was an ideal opportunity which the Greeks seized at once.

VI Greece's arms trade with Spain

It was predominantly the condition of the Greek economy and some of the peculiarities of the conflict, along with an implicit fear of Italy, which led the Metaxas government to exploit to the full the money-making potential of the Spanish Civil War: the Greek state played an important role in the supply of war matériel to the Spanish Republic, as did the Greek merchant fleet in ferrying those supplies. As for the peculiarities of the conflict, the arms embargo imposed on the two sides meant that whereas the Nationalists were avidly supplied by Germany and

²¹ Τα πρώτα πενήντα χρόνια της Τραπέζης της Ελλάδος, 1928-1978 (Athens 1978), pp. 143, 148, 151; Library of the Bank of Greece (LBG): Tsouderos Papers, (File) 79/ (Document) 1: Memorandum by Tsouderos to the Minister of Finance, 3 August 1935; see also ibid., 77/1: "Greece's departure from the Gold Standard", 27th April 1932, Memorandum dated 9 May 1932.

²² LBG: Tsouderos Papers, File 8/12: Memorandum entitled "Debt negotiations in London, 18th August-13thSeptember 1932"; ibid., File 12/3: "The Public Debt of Greece", 1932; A.F. Freris, *The Greek economy in the twentieth century* (London 1986), p. 81; M. Mazower and Th. Veremis, op.cit., pp. 111, 115-16.

²³ Public Record Office (PRO), London: FO 371/19516 R646/646: Waterlow to Foreign Office, 22 January 1935.

Italy, the Republicans faced considerable difficulties. Since Soviet aid was not on a par with that extended to Franco by Hitler and Mussolini, the Republic resorted to the private international arms market in order to buy and smuggle war supplies into its territory. This is where Greece, by way of her merchant fleet and Powder and Cartridge Company, proved useful and expensive.

In Prodromos Bodosakis-Athanasiadis, owner of the Greek Powder and Cartridge Company, the industrially backward Greece of the 1930s possessed the most important arms dealer in the Eastern Mediterranean, a key player in the international arms trade, and a figure of crucial importance in Greece's economic and political life.²⁴ The mutuality of interests between Metaxas and Bodosakis is vital to understanding not only the magnitude of the latter's activities in Spain but also the complicity of the Greek state, without which the Greek Powder and Cartridge Company would have found it impossible to send to Spain massive quantities of war matériel. In Metaxas Bodosakis found an eager supporter of his Powder and Cartridge Company, which by 1939 had received from the Bank of Greece loans totalling 1,172,519,000 drachmas or 23.45% of the total loans made by the National Bank of Greece to Greek industry; the chemicals industry, which came second in the list, received only 8.48% of the total credits.²⁵ Conversely, in Bodosakis Metaxas found the means of securing self-sufficiency in armaments and an internationally renowned arms dealer who could assist with the rebuilding of Greece's foreign exchange reserves.

The Greek Powder and Cartridge Company began to supply the Spanish Republican government soon after the outbreak of hostilities. Since the Republicans were in greater need of arms than the Nationalists, and since they were in possession of the resources of the Bank of Spain, Bodosakis was quick to smell the profit. The first order for 5,000,000 cartridges came from the Republican government in mid-September 1936 – precisely at the

²⁴ FO 371/21888 E5675: Report by G.D. Cocorempas, 2 September 1938; Frank Gervasi, "Devil Man", *Collier's*, 8 June 1940, 17.

²⁵ M. Dritsa, Βιομηχανία και Τράπεζες στην Ελλάδα του Μεσοπολέμου (Athens 1990), pp. 274-82, 440.

time when the Greek government was issuing a Royal Decree banning the export of arms to Spain. Metaxas grasped that the foreign exchange benefit from such deals would be enormous, as the Spaniards paid for the total value of Bodosakis's supplies immediately and in hard currency, while Bodosakis's imported raw materials and machinery from Germany were paid for 50% in hard currency and 50% through clearing. The profit was big and quick, and therefore Metaxas at once offered Bodosakis all necessary assistance.²⁶

The economic importance of the Spanish Civil War for Greece and for Bodosakis cannot be overstated. His Powder and Cartridge Company expanded massively: in 1936 it employed 600 workers, in 1937 10,000 and in 1939 12,000; and by 1938 it had become one of the leading firms in the international arms trade business, had won a world-wide reputation and was regarded by the Americans as the largest and most modern munitions industry in South-Eastern Europe and the Middle East.²⁷ Then Bodosakis's activities contributed significantly to the increase of Greece's depleted hard currency reserves. As Spain plunged into a protracted civil war, demand for war supplies grew to such an extent that while Bodosakis's plant was working on the first order, a second one arrived for 20,000,000 cartridges. In 1937, when more orders arrived, the plant reached a daily production rate of 1,000,000 cartridges, and even that was soon raised to 2,000,000. To keep up, Bodosakis even bought ready cartridgeshells, brought them in transit to his plant in Athens, filled them with powder and immediately despatched them to Spain. To do so, according to his biographer, he needed

direct assistance from the state [which] he secured with no delay. Having the official assurance of the [Metaxas] government that

²⁶ V. Sotiropoulos, *Μποδοσάκης* (Athens 1985), pp. 153, 154-5; AGFM: A/1 (1) 1936, File 2: Royal Decree, 22 September 1936: "On the prohibition of export of arms and ammunition to Spain".

²⁷ M. Pelt, "Bodosakis-Athanasiadis: A Greek businessman from the East. A case study of an Ottoman structure in interwar Greece and the interrelationship between state and business", in: Lars Erslev Andersen (ed.), *Middle Eastern Studies in Denmark* (Odense 1994), pp. 74-5; idem, "Germany and the economic dimensions of the establishment of the Metaxas Regime" (see n. 20 above), p. 49; V. Sotiropoulos, op. cit., p. 183.

the purchased materials were necessary for the needs of the Greek army, he immediately succeeded in making agreements with German, Austrian and Swedish industries for the purchase of cartridge-shells, bullets and powder in very large numbers. Thus [...] he managed to send to Spain incredible quantities.²⁸

The Spanish Republican government was so gratified that it even asked him to supply raw materials so that the Republicans themselves could produce munitions in their own factories. Bodosakis refused for fear that the Spaniards might then cancel altogether their orders for ready cartridges. But to please them, he offered to act as their agent for the purchase of rifles and artillery pieces from other countries, ordering them ostensibly for the needs of the Greek army; he even persuaded the Greek government to sell to the Spaniards obsolete war matériel from the warehouses of the Greek army and use the profit to buy modern supplies for the Greek Army itself.²⁹ The extent of the Metaxas government's complicity in Bodosakis's dealings with the Spanish Republic was witnessed by Stefanos Papayiannis, a junior Artillery Officer then serving at the Department of War Matériel Procurement of the War Ministry in Athens. Bodosakis "was a daily visitor. [...] As soon as the gates of the ministry were open, [he] was among the first to walk in." Rumours at the Ministry were widespread that from the Spanish Civil War "he made a lot of money, because he took advantage of the great and urgent need of the Spaniards."30

Bodosakis conducted his trade in a diligent manner. Although he was not responsible for the shipment and transport of cargoes, he personally took great care to ensure that his supplies reached their destination in safety, for otherwise the Spaniards might lose confidence and stop placing their orders with his Powder and Cartridge Company. Cargoes of war matériel produced or bought by him for the Republicans were loaded onto Greek ships in the port of Piraeus and were, on paper, destined for Mexico – a country whose consulates were happy to supply false documents. Once the ships had taken on

²⁸ V. Sotiropoulos, op. cit., pp. 153-4.

²⁹ Ibid., pp. 155-6.

³⁰ S. Papayiannis, Από εύελπις αντάρτης: Αναμνήσεις ενός κομμουνιστή αξιωματικού (Athens 1991), p. 27.

their cargoes in Piraeus, they dropped anchor at some remote island of the Aegean, where they changed their names and documents and then sailed through Italy's Messina Straits. The Italians, the Germans and Franco knew about those shipments and protested vehemently to Athens; Metaxas habitually replied that such charges were groundless both because those ships had not loaded their cargoes in Greek ports and because their destination was Mexico.³¹

The vast majority of the war matériel which Bodosakis sent to Spain was destined for the Republic. However, at times he also supplied the Nationalists by selling them information about the routes of Greek ships carrying arms for the Republic. It was well known that some Greek ships carrying arms to the Republic, while *en route*, notified Franco's forces and their cargoes were seized by the Nationalists, whilst in October 1937 the Greek government received £600,000 from Franco. On some occasions Spanish Republicans and Nationalists were shooting at each other with ammunition made in the same factory; and the Republicans, in particular, must have been getting killed by bullets they had already paid for.³²

By the summer of 1937 all the Great Powers knew of Greece's large-scale arms smuggling. In July the Italian ambassador in Athens protested to the Greek Foreign Ministry that a Greek ship had just taken on a cargo of 270 tons of war matériel from the military warehouses of Thessaloniki. These supplies were taken to the port by military trucks and were loaded on the ship by Greek soldiers. Then the ship sailed to Piraeus, where it took on another 370 tons of war matériel from the Powder and Cartridge Company. The ambassador claimed that the supplies from Thessaloniki were bought by the Company and that both cargoes were destined for the Republicans.³³ By August the Foreign Office had learnt that the Company "has recently been working continuously on orders for ammunition for the Spanish

³¹ V. Sotiropoulos, op. cit., pp. 156-7; M. Alpert, A new international history of the Spanish Civil War (London 1994), pp. 107-8; V.G. Krivitsky, I was Stalin's agent (London 1939), p. 105.

³² S. Papayiannis, op.cit., pp. 27-8; F. Gervasi (see n. 24 above), pp. 17, 49; FO 371/21146 R6780: Waterlow to Eden, Enclosure, 7 October 1937.

³³ AGFM: A/1/1 (5) 1937: Note by D. Kapsalis, 23 July 1937.

Government". The "principal agent" in these transactions was George Rosenberg, son of the former Soviet ambassador in Madrid, Marcel Rosenberg. George Rosenberg, "an agent of the Spanish Government", was "constantly visiting Greece" to get "in touch with one Bodosakis".³⁴

The internal records of the Metaxas administration confirm the essence of such charges. In September 1937 the Sub-Ministry of Public Security informed the Foreign Ministry that the Jew Alberto Levi, a Spanish national who lived in Thessaloniki, had recently been sailing on board a ship carrying war supplies; the ship was seized by the Spanish Nationalists and Levi was sentenced to death as a smuggler. In a casual manner the Greek security services put it on paper that Levi had been acting as a middleman between the Greek state and the Spanish Republican government for the purchase of war supplies.³⁵

While Greece was denying all charges of arms smuggling, by the end of 1937 Bodosakis's dealings with the Republicans were so extensive that in order to make the necessary arrangements, he was travelling abroad at least once a month. In November 1937 he even went to Barcelona to meet the Republican Minister of War. After two days of negotiations he returned to Greece with a contract to supply the Republicans with munitions worth $\pounds 2,100,000.^{36}$ In the same month a diplomat from the British Embassy visited the Powder and Cartridge Company and found it in the process of "being considerably enlarged", with new machinery "being installed in every available space". This expansion was due to the fact that the plant "has been working on a 24-hour schedule for some time past chiefly to supply orders received from Spain." Bodosakis himself boasted to his British visitor that indeed his "factory was working full time on orders from Spain."37 Although there are no figures on the amount of profit made by the Greek Powder and Cartridge Company in 1936 from its trade with Spain, a recent analysis based on the agree-

 $^{^{34}}$ FO 371/21344 W15733: Draft Memorandum by Shuckburg, 16 August 1937.

³⁵ AGFM: A/I (33) 1937 File 3: Sub-Ministry of Public Security, Aliens Department, to Foreign Ministry, 9 September 1937, no. 75/11/4/19.

³⁶ V. Sotiropoulos, op. cit., p. 157.

³⁷ FO 371/22354 R18: Report by S.R. Jordan, 17 November 1937.

ment concluded in Barcelona in November 1937 suggests that for the year 1937 alone the aggregate value of its exports to the Republican government amounted to 1.2 billion drachmas.³⁸ This figure becomes even more important as it refers solely to the value of his trade with the Republic and not to that of his trade with the Nationalists. No doubt these activities meant that only the export of tobacco outranked ammunition as a source of government income.³⁹ In his annual report for 1937 the British ambassador in Athens noted that the export of arms and munitions from Greece had risen "by leaps and bounds, and proved a fruitful source of foreign exchange", for the Greeks had been "thoroughly successful" in their "main preoccupation": "to make as much money as possible by selling war materiel to both sides, and chiefly to the republicans."40 Metaxas's co-operation enabled Bodosakis to supply them even with heavy guns, ordering them from a third country, usually Germany, and asserting that their destination was the Greek army. The necessary documents for such major arms purchases were signed by members of the Greek government and, sometimes, even by Metaxas himself.⁴¹

The lucrative trade continued unabated until late 1938. One of the most striking documents about Greece's contribution to the arms trafficking in Spain is the minutes of a meeting between an official of the Greek Sub-Ministry of Public Security and Maximo José Kahn Nussbaum, the Republican Chargé d'Affaires in Athens. In January 1939 Kahn Nussbaum asked to contact the Sub-Ministry "through Alexandros Davaris, who is carrying out the despatches of ammunition to Red Spain". Kahn Nussbaum asked for the resumption of "the supply of military equipment from Greece which had already been taking place through Czechoslovakia, and which in the past month had been

³⁸ M. Pelt, "Bodosakis-Athanasiadis", p. 75; V. Sotiropoulos, op.cit., p. 157.

³⁹ F. Gervasi, op. cit., p. 17.

⁴⁰ FO 371/22371 R2032/762/19: British Embassy, Athens, Annual Report for 1937.

⁴¹ V. Sotiropoulos, op. cit., pp. 153-6; General Archives of the State (GAK), Athens: Metaxas Papers, File 14: Argyropoulos to Metaxas, 30 May 1938; M. Pelt, "Bodosakis-Athanasiadis", p. 76.

suspended due to the military operations which are still continuing." The Greek official told him to discuss the issue with the appropriate Greek minister, and this is where the story ends in the Greek Foreign Ministry files.⁴² The elusive Alexandros Davaris was at that time joint-owner of a ship along with Bodosakis; and Bodosakis, according to an American journalist who in 1940 investigated his activities in Spain during the civil war, was "a sleeping partner [... in] a Greek steamship company exclusively engaged in arms traffic with Spain".⁴³ Davaris, then, must have been a key figure in the Greek arms smuggling to Spain and a close collaborator of Bodosakis.

VII The role of Greek shipping

With regard to Greek shipping, historically its origins can be traced in the running of commerce in the Black Sea and the Mediterranean. These two seas saw much of the traffic of arms to Spain, and by virtue of its dominant position in these quarters, the Greek merchant fleet was from the start likely to play a prominent part in ferrying supplies to Spain. Moreover, as the merchant shipping was the most important revenue-earning branch of the Greek economy, in April 1936 Metaxas had pledged to work for its interests.⁴⁴ Thus the role played by Greek shipping in Spain was almost as important as that of the Powder and Cartridge Company. The first piece of evidence relating to the transport of war matériel by Greek ships emerged in late October 1936, when the Soviet Union began to aid the Republic. On 26 October 1936 the German Foreign Ministry warned the Greek ambassador in Berlin that, according to German intelligence, four Greek ships had just unloaded in Alicante Soviet war

⁴² AGFM: A/13/2 (33): Sub-Ministry of Public Security to Foreign Ministry, 28 February 1939, no. 76/65/7; attached, Intelligence Bulletin of 4 January 1939, no. 36/421/2.

⁴³ F. Gervasi, op. cit., 17.

⁴⁴ LBG: Tsouderos Papers, File 72/2: "Monetary and credit policy of the Bank of Greece, 1935", Report by H.F.C. Finlayson, 31 March 1936. See also G. Harlaftis, Greek shipowners and Greece 1945-1975: From separate development to mutual interdependence (London 1993), pp. 1-2; idem, A history of Greek-owned shipping: The making of an international tramp fleet, 1830 to the present day (London 1996), pp. 3-103.

supplies for the Republic. At the same time the Greek Foreign Ministry learned that "individuals [who were] in contact with the Soviet Government [were] aiming at the freighting of Greek ships to carry war supplies to Alicante and Barcelona."⁴⁵

The files of the Greek Foreign Ministry contain a variety of information about the complex operation whereby Greek merchant ships supplied the Republic. From their port of departure they received certificates allowing them to sail to the French port of Sette, where they remained until they received a coded radiograph from some small French fishing vessels which, under the pretext of fishing, were sailing in Spanish waters; the real mission of those French fishing vessels was to notify the cargo ships at Sette whenever there was no Spanish Nationalist ship in the area and sailing was safe; upon receiving the "allclear", the ships sailed from Sette to Barcelona, where they unloaded their cargoes. From Barcelona each ship was escorted by a Republican warship until she had abandoned Spanish territorial waters. The Greek government knew that such activities brought "enormous profits" to the Greek merchant marine, as the value of the freight of a single trip was almost as high as the value of the ship herself.⁴⁶ Whereas in October 1936, when Soviet aid began to flow to the Republic, mainly Soviet and Spanish ships were used, by 1937 more vessels were needed, with the result that foreign ships, especially Greek ones, were widely used. Greek shipowners took on the accompanying dangers because the freights, which before the civil war amounted to three or four shillings per ton, had by 1937 risen to thirty or even forty. Also in 1937 the domination of Gibraltar by Franco meant that the only route for the Republic's supplies was

⁴⁵ AGFM: A/1 (1) File 2: A. Rizos-Rangavis, Berlin, to Metaxas 26 October 1936, no. A/20982; A/1 (1) File 3: L. Melas, Director of Foreign Ministry, to Sub-Ministry of Merchant Marine, 28 October 1936, no. 21126; Documents on German foreign policy 1918-1945, Series D, volume III (London 1951), no. 118, 13 November 1936. The text of the Royal Decree of 22 September 1936 in AGFM: A/1 (1) File 2; see also ibid., File 1: Ministry of National Economy to Foreign Ministry, 12 September 1936, no. 103217.

⁴⁶ AGFM: A'/i (2): Department of State Defence, Piraeus Branch, to Department of State Defence, 29 November 1936, no. 75/2/3.

from the Soviet Union through the Dardanelles; the ability of the Republic to defend itself depended entirely on this route. In the preceding months the route had been used extensively, which is why Franco and Mussolini decided to patrol the Dardanelles and torpedo Spanish and Soviet ships and terrorize vessels of other nations.⁴⁷ The results of this decision transpired in December 1937, when the Greek ambassador in Ankara reported that in the past few weeks almost no Spanish or Soviet ships had sailed to Spain with supplies. While some fifteen Spanish vessels were immobilised in Odessa, "the ships carrying cargoes to red Spain [were] mainly under English or Greek flag."⁴⁸

The activities of the Greek merchant fleet aroused Franco's fury, which by May 1938 was evinced in the "relentless" persecution of Greek ships by his Navy.⁴⁹ Argyropoulos, the Greek Agent at Franco's headquarters, filed successive reports on the Generalisimo's "outrage" and "indignation against Greece [for] supplying the reds".⁵⁰ To illustrate it, he even sent Metaxas a photograph supplied to him by Franco's Interior Ministry. The photograph showed four corpses, apparently Spanish Nationalists killed by Greek-made bullets, and on the back the following message was typed in French:

Standing in the main square of Salamanca there is [a] plaque in cast iron to expose at some future date the transparent collaboration between the so-called President of the Council, Metaxas, and his associates, Diakos, Bodosakis, etc.⁵¹

⁴⁷ AGFM: A/I (33) File 3: D. Drosos, Légation Royale de Grèce aux Pays-Bas, The Hague, to Athens, 25 August 1937, no. 565.

⁴⁸ AGFM: A/I (33): R. Rafail, Ankara, to Athens, 1 December 1937, no. 3940.

⁴⁹ AGFM: A/13/2 (34A): Argyropoulos, San Sebastian, to Athens, 11 July 1938, no. 233.

⁵⁰ AGFM: A/13/2 (34A): Ministerio de Asuntos Exteriores, Servicio Nacional de Política y Tratados, Burgos, to P.I. Argyropoulos, 27 May 1938; ibid., Argyropoulos, Burgos, to Athens, 28 May 1938, no. 11091.

⁵¹ GAK: Metaxas Papers, File 14: Argyropoulos, Burgos, to Metaxas, 30 May 1938, "confidential letter".

Another penalty which Greek ships suffered was the sharp increase in insurance premiums, as they were considered far more likely to be attacked by the Nationalists. This led many traders to avoid chartering Greek vessels.⁵²

But as the activities of Bodosakis and Metaxas did not abate, the wrath against Greece and the exaction of vengeance upon her merchant ships increased in the autumn of 1938. Franco was adamant that supplies to the Republic from France and Greece were prolonging the war, therefore as long as Greek ships and the Powder and Cartridge Company continued their trade, the Nationalists would wreak their revenge on Greek vessels. Argyropoulos, who at the same time had the unenviable task of protesting to the Nationalists about the persecution of Greek ships, wrote to Metaxas:

the root of the trouble is the activity of our Powder and Cartridge Company. It is not up to me to judge whether the hard currency benefits are greater than the damages to the [Merchant] Marine [... But] it is not fair to refuse any discussion while we are arguing that we are the unfairly dealt with [$\alpha\delta\iota\kappaoi\mu\epsilon\nuol$], but in actual fact we are the ones who are treating others unfairly [$\alpha\delta\iota\kappaoi\nu\tau\epsilon$].⁵³

Relations between the Greek government and the Spanish Nationalists improved only after February 1939 as a result of military developments in Spain. By then it was clear that the Republic had lost the war, and already towards the end of 1938, seeing that orders from the Republicans were dropping, Bodosakis was turning his attention to the war between China and Japan with a view to supplying the Chinese.⁵⁴

VIII Greek diplomacy and the Spanish Civil War Finally, there remains one last aspect of Greek attitudes to the Spanish Civil War to be examined: whether Greek diplomacy

⁵² AGFM: A/1 (35): Simopoulos to Sub-Ministry of Merchant Marine, 3 August 1938, no. 2121; A/1 (35): A. Lousis, Greek Shipping Co-operation Committee, London, to Simopoulos, 10 August 1938.

⁵³ AGFM: A/1 (35): Argyropoulos, San Sebastian, to Athens, 6 September 1938, no. 331.

⁵⁴ V. Sotiropoulos, op. cit., pp. 176-7.

was in a position to correlate the foreign policies of the Great Powers in the Western Mediterranean with their policies in its Eastern half. Indeed, the Spanish Civil War was a key episode in Europe's slide into war in September 1939, for the attitude of Britain and France inspired neither trust amongst potential friends nor fear amongst likely enemies; the end result was that the Spanish Civil War weakened the two western powers in the eyes of both friends and enemies whilst strengthening Italy and Germany.⁵⁵ Moreover, considering that the Ethiopian Crisis had elevated the Mediterranean into the likely battleground between Britain and Italy, the link between the two halves of the region, especially during the Spanish Civil War, was manifest, for most of the countries of the Eastern Mediterranean perceived Italy as a threat to their national security and Germany as the economic overlord of the Balkan Peninsula, and relied on Britain and France for their security.

Upon the outbreak of the Spanish Civil War Greek diplomacy inevitably focused on Italian intervention. Whereas Metaxas seems to have avoided any comment on the issue, the views of Greek diplomats make interesting reading because of their complacency and inability to interpret the motives of Italian foreign policy. As early as August 1936 the Greek Chargé d'Affaires in Rome was certain that Italy wished to defuse any international complications arising from Spain so that the Fascist regime could direct its attention to more vital issues. In November 1936 the Greek Chargé in Paris cabled Athens that the real interest of the Spanish Civil War for Europe was to ascertain whether the Soviet Union would succeed in setting up a communist state in the Western Mediterranean or whether German and Italian policy would prevent an "adventure jeopardising the civilisation of the West".⁵⁶

Charalambos Simopoulos, the Greek ambassador in London, was content to take his lead from the British. In October 1936,

⁵⁵ See Willard C. Frank, Jr., "The Spanish Civil War and the coming of the Second World War", *International History Review* 9.3 (August 1987) 368-409.

 $^{^{56}}$ AGFM: A/1 (6) A. Dalietos, Rome, to Athens, 25 August 1936, tel. no. 1607/ θ /10; A/i (7) S.N. Marketis, Paris, to Athens, 26 November 1936, no. 3853.

commenting on the Italian threat in the Mediterranean, he reassured Athens that British public opinion had no sleepless nights after Mussolini's statements about Italy's armaments programmes because the Duce was exaggerating "for domestic reasons". Confused about the international implications of the Spanish conflict, Simopoulos even argued that "Greece is minimally interested, if at all, in this whole Spanish business"; at the same time he recognized Spain's "crucial importance for European peace" and urged Metaxas to "assist the work of the Great Powers and especially that of Britain".57 The Greek ambassador exemplified this during the meetings of the Non-Intervention Committee in London. While discussing the violation of the policy of non-intervention by Italy, Germany and Portugal, Simopoulos, like most other members, was "deeply shocked by the unceremonious lying" of the Italian and German representatives. But, according to their Soviet colleague,

in the meetings they all remained obstinately silent, keeping their eyes on the green cloth of the table, [...] all petrified with fear of the "Great Powers". 58

Much closer to understanding some of the implications of Italian actions in Spain came Nikolaos Politis, the Greek ambassador in Paris, who in March 1937 warned Metaxas of the dangers stemming from the irrationality of Italian foreign policy:

What is excluded by cool logic, is at times imposed by a developing passion which may reach complete blindness. The boldest, the maddest, the most unrealistic plans, fomented in a period of excitement, also become [the] object of [a] psychosis capable of creating the illusion of the possible and the feasible. The obsession to dominate the Mediterranean may unfortunately lead the rulers of Italy to such an illusion.⁵⁹

This assessment may be contrasted with that of the Greek Chargé in Rome, who in July 1937 argued that Italy was

⁵⁷ AGFM: A/10/6 (26): Simopoulos, London, Athens, 14 October 1936, no. 2669; A/1 (3), File 9, Simopoulos to Athens, 3 March 1937, no. 588.

⁵⁸ I. Maisky, Spanish notebooks (London 1966), pp. 58-9.

⁵⁹ AGFM: A/1 (8) 1937: N. Politis to Metaxas, 6 March 1937, no. 870.

undoubtedly an element of stability with regard to the strong Slavic Bloc on Greece's northern borders, whereas Britain remained the only power capable of guaranteeing Greece's independence in the event of "serious complications" arising from an Anglo-Italian clash in the Mediterranean.⁶⁰

One of the most striking examples of the difficulties which the duplicity of Italian foreign policy was creating for the Greeks came in November 1937, when George II met with Ciano in Rome. The Italian Foreign Minister impressed the Greek King when he assured him: "As there is nothing to separate Italy and Greece, I count on Greek friendship." Then Ciano noted in his diary:

In any case the line of advance drawn by destiny is Salonika for the Serbs, Tirana and Corfu for us. The Greeks know this and are frightened. I don't think my kind words succeeded in effacing the idea from [the King's] mind. It is, after all, an idea for the realization of which I have for some time been working.⁶¹

IX Conclusions

In attempting to summarize Greek attitudes to the Spanish Civil War, it is necessary to revert to the concepts of ideology, foreign policy and economic necessity. The ideology of anti-communism, social conservatism and anti-parliamentarianism meant that the Metaxas regime had every reason to sympathise with the Nationalists. Yet when it came to any form of practical support, ideological sympathy was not enough to force Greece to keep quiet or to use whatever assets she possessed to assist Franco, for the realities of foreign policy and economic necessity compelled her to adopt an attitude contrary to what ideological sympathy might have suggested. Italian intervention in Spain, along with Italian designs on the Balkans and the Eastern Mediterranean, dampened down any enthusiasm which the Metaxas regime might have felt for the prospect of Nationalist victory. Though it was never spelt out, and perhaps not even fully appreciated, the Greek fear was always alluded to: in the event of Franco's victory Italy would increase her influence in the Western

⁶⁰ AGFM: A/1 (A/i) (3): A. Dalietos, Rome, to Athens, 13 and 20 July 1937, nos. 1953 and 2030.

⁶¹ Ciano's Diary 1937-1938 (London 1952), p. 27.

Mediterranean and could more easily attempt to challenge Britain for the control of the East. In terms of foreign policy, then, Italian intervention in Spain and the Italian threat throughout the Mediterranean led Greece to a cautious attitude and cancelled out any active sympathy for Franco.

Moreover, any expression of active sympathy towards Franco was made even more unlikely because the financial opportunities presented by the Spanish Civil War and Greece's need of hard currency combined to turn the conflict into a goldmine which the Metaxas state exploited to the full. Greece had the means to oblige the Spaniards: a first-class merchant fleet with a long history of successful activity in the Black Sea and the Mediterranean – the Republic's main supply route – and Bodosakis's Greek Powder and Cartridge Company.

Given the furtive nature of the activities of Metaxas, Bodosakis and the Greek shipowners, it is hard to find any detailed figures relating to profits. In June 1939 Argyropoulos reported that a total of twenty-six ships had been seized by Franco's navy during the civil war.⁶² More must have successfully completed their trips to Republican ports. Overall, the available evidence from a variety of sources leaves no doubt that from an economic point of view the Spanish Civil War proved a bonanza for the hard-currency starved Greece of the 1930s. Insiders were quick to admit it; in January 1941 the Naval Attaché of the Greek Embassy in London wrote that between 1914 and 1939 the Greek merchant marine "made large profits only in cases of crises, as in the Spanish Civil War, the war of China etc."⁶³

In 1936 the rise in Greece's imports of grain and the expenditure required for servicing the external public debt led to a large outflow of hard currency. In 1937 the drastic measures taken by Metaxas led to a considerable improvement, with hard currency reserves rising from 355 million drachmas in 1936 to 887 million drachmas in 1937, 690 million in 1938 and 712 million in

⁶² AGFM: A/13/2 (34A): Argyropoulos, San Sebastian, to Athens, 8 June 1939, no. 806.

⁶³ LBG: Tsouderos Papers, File 166/18: "Report on the Greek Merchant Marine during the Present War", by Captain K. Alexandris, 5 January 1941.

1939. In 1978 an official publication of the Bank of Greece admitted that "in the increase of hard currency receipts [...] an important role had also been played at that time by an extraordinary political event abroad, the civil war in Spain."⁶⁴ Bodosakis's biographer concurred, albeit in more patriotic terms:

Our national economy greatly benefited from these Spanish orders. Many of the needs of the state budget were met by the exchange which was imported. In other words, it was not just Bodosakis's dealing, but a national mobilisation of the broadest nature with an enormous financial impact on the numerous needs of the whole [of Greece]. [Needs] which our anaemic state budget could cover with great, very great difficulty.⁶⁵

If there was a failing in Greek attitudes to the Spanish Civil War, it was an inability to grasp some of its international implications. In this the lead was provided by the one great power with the greatest influence in Greece; if Britain opted for appeasement, the small, vulnerable, dependent and insecure Greece would have to go along. This is not an attitude that a realist could possibly criticise. But when it came to Italian foreign policy, complacency and gullibility prevented most Greek diplomats from appreciating that Italian aggression, whether in the Western or the Eastern Mediterranean, stemmed from the unpredictability of its agent as well as from the links between foreign policy and the ideology of fascism. The gullibility and complacency of most Greek diplomats was summed up by Giorgos Seferis in June 1940:

those who are in the swing of things are content that the Duce, in declaring war, said that he would not harm us if we do not give him an excuse. For that night, and who knows for how many more weeks, these words are their gospel and their talisman. Not that they do not have the intelligence to understand how hollow these promises are, but you think that they have (they do have it) the feeling – a kind of superstition – that salvation depends on

⁶⁴ Τα πρώτα πενήντα χρόνια της Τραπέζης της Ελλάδος, 1928-1978 (Athens 1978), p. 151.

⁶⁵ V. Sotiropoulos, op. cit., pp. 158-9.

the faith that they appear to give to them. [...] Ruses which have a vogue until the blade reaches the nape. 66

The critique seems apposite if one recalls that since November 1937 the Duce and his son-in-law had been working towards Corfu for themselves and Thessaloniki for the Serbs; that at exactly the same time the Duce had told Ciano: "When Spain is finished, I will think of something else. The character of the Italian people must be moulded by fighting",⁶⁷ and, finally, that for them the shortest road to Greece was through Albania.

University of Central Lancashire

⁶⁶ G. Seferis, Πολιτικό ημερολόγιο, Α': 1935-1944 (Athens 1979), p. 17 (14 June 1940).

⁶⁷ Ciano's Diary 1937-1938 (London 1952), pp. 27, 32.