ACHIEVEMENTS IN THE NORTH OF GREECE (1912-1962)

On the 26th of October each year we all celebrate the liberation of Macedonia from the Turkish yoke. That was the day when, fifty years ago, the Greek army made its entrance into Thessaloniki, after defeating the Turks, wherever these had tried to check its progress. South - western Macedonia and the western part of central Macedonia had already been liberated. To maintain Greek sovereignty over this newly liberated Macedonian territory, however, would have been difficult, if the town of Thessaloniki had not moved within Greek frontiers; and Macedonia would have been left without the support of its natural economic and cultural centre. Indeed, this might have been the case, should the Bulgarians have reached Thessaloniki ahead of the Greeks—for such were the stipulations of the alliance treaties that had been concluded among the Balkan States and against Turkey in 1912.

Before we can evaluate any Greek achievements in the north,' we must consider both the disruptive repercussions of the two world wars² and the internal political developments of Greece in the twenties, because they absorbed the energy and time of the leaders in this country for several years. Moreover, these factors caused every manifestation of Greek life, particularly the taking of decisions, to concentrate in Athens, the capital city, which thus became highly centralized. Nevertheless, in spite of these setbacks, and despite western Thrace being liberated only in 1920, the Greeks can be proud of very impressive achievements in the north generally and Macedonia in particular, between the years 1912 and 1962. The importance of these achievements cannot be minimized even by the argument that there would have been some development anyhow, since there had been none during the fifty years ending in 1912³ and that fo-

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^{1.} Cf. M. Negreponti Delivanis, Le Développement de la Grèce du Nord depuis 1912 pp. 160, Thessaloniki 1962.

^{2.} They raged in Greece until 1922 and 1949 respectively.

^{3.} With the only exception of a few railways built exclusively with foreign capital. Yet, for lack of political security, they were not of much help toward economic development either.

reign aid had contributed substantially to them. Foreign aid may no doubt be valuable in some cases, but it can only be of real help if it is appropriately applied, and this presupposes ability as well as skill on the part of those who are responsible for its administration.

In trying to decide what the most important Greek achievements have been in Macedonia between 1912 and 1962, we must stress in particular the rehabilitation of the refugees, substantial rise in economic standards and Thessaloniki having grown to an independent, significant and expanding cultural centre. These should be considered not only for themselves as a proof of vitality and ability displayed by the people who planned and carried them out, but together with any effects they had over the years in all spheres of human activity. In this connection, we should like to mention that if we compare incomes per head we find them to be so in Yugoslavia: in the "autonomous Republic of Macedonia" 25% of that in Slovenia, and 50% of that in Croatia and Serbia; while in Greece we have: the income per head in Macedonia is higher than it is in any other Greek district, except in the Athens-Piraeus area. Results of international comparisons are certainly to be taken with some caution. In this case, we must remember that (i) the income of the population per head yearly is higher in Greece (\$ 340) than it is in Yugoslavia, (ii) conditions prevailing all over Macedonia in 1912 were the same, irrespective of its having been split and dealt out to Bulgaria, Greece and Yugoslavia after the Balkan wars, and (iii) that the part allocated to Greece suffered a great deal more through the two world wars than have the Bulgarian and Serbian portions of Macedonia.

I

Resettlement of refugees is quite a common phenomenon in the twentieth century as an aftermath of world wars and of persecutions directed against foreign minorities. This has taken the form of a compulsory exchange of population, the first application of which we find in the Greek - Turkish agreement of 30th January 1923. There are a few cases, on the other hand, where the number of those newly settled practically equals that of populations removed. This is actually true for Greek Macedonia, where 683,000 refugees were settled in an area whose population had declined to 695,000 after the exchange - people had gone from there.

Refugees were settled mainly in rural areas and to some extent in towns. The process went on for seven years under the supervision and direction of the Autonomous Refugee Settlement Commission⁴ that had

^{4.} The Commission was chiefly responsible for the settlement of the farmers, whereas the Greek Ministry of Welfare saw to that of town-dwellers.

been nominated by the League of Nations. Nearly all the members of that Commission were Greek, and they did not confine themselves to settling refugees in Macedonia only, but were active all over Greece, being confronted with 1,260,000 homeless people at a time when the population of the country did not exceed 5,000,000 inhabitants. The figures show that the problem was relatively easier for the rest of the country compared to Macedonia, where the rate of population had fallen after the compulsory departure of the Turks and the voluntary departure of all the Slavs. Macedonia and Western Thrace absorbed one third of the town-dweller refugees ⁵ and four fifths of the farmers.

In Macedonia the arrival of refugees was combined with efforts to improve the methods of production in general. These were applied not only by the refugees but by the native population as well. The refugees made a most valuable contribution through their previous knowledge not only of methods, but also of the superior quality of articles they had been familiar with in their home countries. Refugee farmers were given the material possibility to set out on their projects with the Refugee Settlement Commission supplying the necessities for their farming as a loan until the following harvest.⁶ Town-dwellers started on their positive contribution a little later. In fact, town-dweller refugees were able at first to earn their livings only at the expense of tradesmen who had already been established. As effective demand increased, it became easier to find a solution to the problem. In the beginning refugees who settled in towns would start as traders, even though they may not have been involved in trading before. Such refugees considered trading a temporary occupation, until they could start on manufacture or some other profession. Newcomers were often able to use methods or ways that were unknown in Greece until they arrived. Other refugees, who did not think they would be able to have independent work, were prepared to accept very low salaries. This attitude was due to their lacking other resources, which was a result of limited business activity, which in turn was one of the results that great shortage of housing had brought about. In Thessaloniki each refugee family was allowed but one room during the first years after their arrival. Whole sections of Thessaloniki were destroyed during the big fire of 1917; build-

^{5.} As a proof of this statement I should like to mention that in 1927 out of 336 Greeks living in Macedonia and exhibiting industrial products at the international Fair of Thessaloniki, 193, i.e. 58% were refugees. Cf. M. Negreponti Delivanis, *op. cit.* p. 78.

^{6.} Estimated by J. Ancel, La Macédoine, Paris 1930, p. 424, for each farmer's family at Drs 41,140.— which in 1924 equalled \$ 748.

ing was rendered impossible by World War I; buildings were badly damaged by the armies of German and Bulgarian occupation in Eastern Macedonia between the years 1916-1918; thus, a building boom developing in the early twenties helped toward meeting the housing needs of both the refugees and the native population in general.

While the turnover of former residents was not reduced, real commercial and other activity of the new-comers to the towns of Macedonia developed only after the rural refugees had gathered a satisfactory amount of crop, had sold it at prices that covered its cost, paid for debts and services, and also paid commodities that had been supplied by the townspeople. The purchasing power of the refugees increased as their debts to the Greek Treasury diminished. This was brought about through compensation which they received on the basis of the estimated value of land and of houses they had left behind in Turkey. Estimates were fixed by expert committees specially appointed by the Greek Government.⁷ It was further effected through reductions granted by the Greek Government for political and social reasons, through the depreciation of Greek currency first in 1932-1933 and later, during the enemy occupation in the years 1941-1944. Finally, diminishing of debts was achieved through their being paid off. The causes of the building boom in the towns must also be seen in this light.

The total expense for the settlement of the refugees all over the country was reckoned at about 1,700 million dollars,⁸ out of which only 20% was covered by foreign loans. Over 50% of the refugees were settled in Macedonia, and the economic activity of this area was favourably affected, even if we consider that 20% of the expense involved represents the value of fields and other land that were handed over to the new-comers free of charge.

The income and hence the purchasing power and effective demand of the farmers, native and refugee, who lived in Macedonia, were substantially improved, when the output per acre had increased, commodities produced were diversified and areas hitherto cultivated to an extent of 57%had been further exploited. Results of this were manifest also in the secondary and tertiary sectors of Macedonian economy, which of course reflected on the economy of the whole country too.

On the other hand, economic flourish in Macedonia was also due to more thorough exploitation of the rest of Greece, as we shall see in

^{7.} On a communal basis with participation of officials from the Ministry of Finance.

^{8.} On the basis of their purchasing power in 1961.

Part II. However, I should like to stress here as well, that the coming and settling of the refugees has had an overall beneficial influence both socially and politically. The standard of living was raised with the farmer and the townsman equally. The refugees proved to be happy and industrious citizens, took care of their duties and were active as Greeks and as Christians. Gradually, the population of Macedonia, south of the Greek frontier, became completely homogeneous, especially since such people whose conscience was not entirely Greek chose to leave the country, either in the twenties, or after the defeat of the German and Bulgarian armies in 1944.

We are reminded that Greece has had to cope with more refugees than just those who were settled in Macedonia during the early twenties. After the Bulgarians had occupied eastern Macedonia and eastern Thrace in April 1941, 150,000 people had to abandon their homes. When they returned after four years, nothing was there but bare walls. A few years later Macedonia had a refugee problem again. This time it was the Greek Army H.Q. who ordered citizens to leave their homes, so that they might be spared compulsory abduction by the communist guerillas. They were also ordered to leave, because the leakage of information, ammunition, forage and food towards the guerillas had to be stopped. It would have been impossible for the national army to guard every single hamlet: but if it were empty they could control the area more effectively. The total number of refugees between the years 1946-1949 was about 700,000 people, out of which at least one third were inhabitants of Macedonia. The communist bands were finally defeated in 1949, despite the support they had received by our three northern neighbours, and the Greek Government[®] was compelled once more to re-settle thousands of refugees.

Π

Re-settling refugees was a necessity and it has led to substantial improvement in the demographic, economic and social conditions that used to prevail over Macedonia, south of the Greek frontier. Yet, the equally substantial improvement of the land and of farming that were achieved in Macedonia are the result of public works planned and carried out at several dates; in the early twenties, in the early thirties and then in the early fifties and sixties. Lakes and marshes were drained off, rivers were controlled to prevent floods, to secure adequate irrigation and to produce electric power, for which purpose also lignite was used; modern roads were

^{9.} With USA financial support.

built and the railway network was brought up to date. It was possible to finance such works through foreign loans and foreign participation; on the other hand, public funds were made available after the current public expenses had been met, or else funds were secured through the floatation of public loans. Quite satisfactory results have been achieved in all three sectors of Macedonian economy and within the frame of Greek economy. Since the new works have been in operation, the land has been cultivated more intensively and production has hence risen a great deal. It was most important to have such works carried out, for in this area the output per irrigated acre is at least 100% higher than that of other areas. Moreover, those who farm this land feel safe that it is no longer going to be inundated and that they will be able to collect their crop or fruit. Work in these areas has become rewarding, especially since the other danger, malaria, has been eliminated. The quality of the land has also improved, so it can produce cotton, rice and beetroot. It thus secures higher proceeds and the possibility of longer and better employment of the farmers' womenfolk and children during the farming and reaping seasons.

Until a few years ago Maeedonia was suffering from lack of electric power and from paying too dearly for whatever power was available. The price was too high both in absolute figures and compared to that in the Athens - Piraeus area.¹⁰ The power plants used to be small, their running cost was high and they were inadequate in satisfying an ever increasing demand. This problem, which was very important for the development of Macedonian industry and agriculture, seems to have been solved through the expanding plants of hydroelectrie power built on the river Agras, the thermoelectric plant of Ptolemais, the joining together of the power works of northern and southern Greece, as well as the equalization of the price the power is sold at all over the country. We notice that in Macedonia there has been an increase of industrial production and that higher productivity rates were made possible at the already existing factories, with the index showing 70% increase compared to pre-war activity. Besides higher productivity of old factories, there is the building of new ones by private companies, individual businessmen and public corporations. Public corporations are busy either in the whole country, so is for example the Public Power Corporation, or are active or about to be active in the near future exclusively in Macedonia, as is for example the factory of coke and brickets in Ptolemais. While roads are rapidly being modernized, one cannot claim

^{10.} Power is produced by using coal and oil that were imported into Greece duty free until 1960.

the same about the railways, in spite of some recent improvements on them.

Public investments of that scale were not planned to serve Macedonia alone, nor even Greece alone. They were meant to pave the way, as indeed they have, for Greece to join the European Common Market, and they were carried on in view of a probable widening of its scope to include the United Kingdom and the other members of the European Free Trade Area (EFTRA). It should be added here that neither cheap labour nor maintenance of high custom duties were the basis on which the Government relied for satisfactory results, not primarily. Even pre-war Macedonian factories gradually reduced the number of workers in order to cut the cost of their produce and increase its amount. Dismissed workers, who cannot find jobs with the new factories or in the tertiary sector, emigrate to western European countries, where they are absorbed at an ever increasing rate. These temporary emigrants send home remittances and there is always the hope that they will return better trained, and enriched with wider experience.

Despite two world wars, despite other handicaps, such as excessive centralization of administration in Athens, the settlement of refugees and the investments made in Macedonia have led within fifty years to the following results:

1. an increase of field production by 57% of which: wheat by 227% cotton by 500% rice by 900%

2. a substantial increase of productivity in general, particularly of wheat, tobacco, cotton, rice, fruit, and vegetables

3. a noteworthy increase of industrial production and of services for which there is a growing demand

4. improvement of housing facilities, and, in general, of living conditions, not only in towns, but also in villages.

Such results were achieved in the other Greek provinces too, but there is, of course, a difference in degree. In Greece, economic development has been combined with a continuous effort to ameliorate the living conditions of the people. There is undoubtedly a large margin for further improvement before Greece can attain the standards established in Western Europe, not to mention the United States of America. So far, however, Greek economy has moved in the right direction and the economy of Macedonia has certainly made a satisfactory contribution to that.

Yet, increase of the national income and of the average income per head do not constitute sufficient proof that living conditions of the people have actually improved, either in the whole country or in the area just discussed, unless it is combined with a more balanced distribution of the national income. It is well known that there is no such thing as equal distribution anywhere, as we can tell by observing monasteries and fighting units, or even communist countries, particularly in the light of the information we have from M. Djilas about their new class. There will always be differences. Perhaps we should be satisfied if they can be reduced through reasonable social polity, fiscal policy, and organization of prices and salaries. As far as Macedonia is concerned during the last fifty years, we notice considerable increase of income per head, while there is lessening of difference between highest and lowest incomes. At the same time the number has gone up of those who are able to have a more or less comfortable living. We know this, for they are now in a position to afford adequate medical care on the one hand and better education for their children on the other, as is shown by the high proportion of students who now come from villages. And this is in the writer's opinion a valid criterion in assessing Greek achievements in Macedonia, between 1912 and 1962.

Ш

We are taught by history that increase of national income and increase of average income per head, combined with fair distribution of it are still not enough of a proof when we consider development, if these do not go hand in hand with independent and self-sufficient cultural life. At the time of its liberation in 1912, Macedonia had a large number of local intellectual centres, practically wherever there was a Greek Bishop and a Greek High School. There were good libraries in several places; the staff of the High Schools, helped by students and alumni, presented plays and orientated the community on cultural matters both of Greece and of those European countries with which there were closer commercial and cultural relations. The importance of these achievements must be especially stressed, the more so because it was the Greek communities that paid for all cultural expenses, through voluntary contribution, a ta time when the Turks demanded their taxes and robbers were almost the rulers over the rural areas. Education in those High Schools was excellent, as show the subsequent careers of their graduates, who were successful not only in the Ottoman Empire, but also all over Western Europe and in Greece itself.

After the liberation of Macedonia, schools that functioned in dis-

tricts annexed to Bulgaria and Serbia were closed down, as an attempt towards extermination of Greek education in their new areas. But the schools that functioned within the Greek frontier went on with their work. Since 1912 they have been under the Ministry of Education, which also takes care of all expenses.

Graduates of High Schools, who wished to go on to higher education could study at the University of Athens, then the only university in Greece, or else they would go abroad. Higher education was necessary for those who intended to enter the Civil Service, to be Judges, or to have a number of other professions.

Athens, however, was too far away for Macedonian students, it was also too expensive and the University was crowded. The need for another University to be established grew more obvious with every year that passed. The town of Thessaloniki was selected for that purpose, as was natural. In 1924 the competent bill was voted at the Greek Parliament and in 1926 a new university was opening its doors in Thessaloniki. A very wise decision was made at the time: since there was not enough money available to build and man a whole university, the available funds would be used to start one or two Faculties (Schools) as a beginning. And that is what happened. Faculty after Faculty was inaugurated over the years, until in the present day, Thessaloniki can boast about its model University-Town, a campus certainly to be envied for and about the standards of education that are rising every year.

Yet the way was not strewn with roses: it took many and hard years, untiring efforts, and often extreme shrewdness on the part of the first professors and administrators in order to have the new university survive and then expand. To find competent instructors who would willingly go north, was not the meanest difficulty. With time, however, our own graduates were mature enough to take on teaching posts and succeed their professors. Local graduates are encouraged to fill vacant or new chairs and to accept assistantships, unless a non-local, outstanding scholar is willing to work in Thessaloniki.

The University of Thessaloniki has been a centre for intellectual activity in northern Greece for quite a long time now, and it has gained the recognition of both Greek and foreign cultural institutions. Greek professors are more and more invited to lecture in foreign universities, they contribute regularly to foreign, scholarly periodicals and collective works; and they write books in foreign languages to promote closer relations with other countries by facilitating cultural and scholarly communication with them.

Up to 1912 Thessaloniki was an important commercial and military centre of the Ottoman empire and there was a powerful Greek community in it which was active both commercially and culturally. Since then, Thessaloniki has acquired a university of its own, which has national and international prestige, and is almost self-sufficient when it comes to recruiting new teaching members and research scholars. Besides its university. Thessaloniki has now several more cultural and educational institutions: the Society of Macedonian Studies, the Institute for Balkan Studies, a Higher School of Industrial Administration, Teachers' Training Colleges, various Technical Colleges and a large number of high-schools, a number that grows as the population grows. Thessaloniki, with its 400,000 inhabitants, is now an important cultural centre. Thus, the Greeks have proved it again that wherever there has been economic and social development, culture had to follow in its wake. If peace is preserved and if Greek politics follows a normal course, we may be certain that the importance of Thessaloniki as a cultural centre will keep growing.

Looking back on what has happened in Macedonia since it was liberated in 1912, looking back over a span of fifty years, considering that there have been two world wars, national and international post-war conflicts, and perpetual difficulty in fund raising, we think that the Greeks of the North have every right to feel proud of what they have achieved. They will not rest on their laurels either: if achievements between 1962 and 2012 are proportional to those of the first fifty years of Greek sovereignty in Macedonia, we should be satisfied.

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