

Helena Smith In Athens

NEARLY 18 months after Greece and Turkey appear ready for rapprochement, their governments jointly enthusing about the need and benefits of mutual friendship.

The change of heart has prompted the two Nato allies to look seriously at ways of solving their differences for the first time in decades.

Last week, as the spirit of detente gathered momentum in the Aegean — where conflicting claims to an isolated rock brought the neighbours to the edge of conflict in January last year — both sides appointed "wise men" to examine their myriad problems.

Western officials said they hoped the committees, which will speak through the EU's Dutch presidency, would soon pave the way to face-to-face dialogue. After their near clash last year, Greece and Turkey suspended all forms of communication. "We see the wise men pro-

"We see the wise men proposal as a good initiative," said Carey Cavanaugh, the US state department's co-ordinator for Southern Europe, visiting Greece on Thursday. "We're hopeful that it will yield some fruit."

The unprecedented optimism has flourished since Athens unexpectedly dropped its long-standing objections to Ankara joining the Natofunded Western European Union operations last month. Unlike Turkey, Greece is a full member of the Brussels' defence arm.

Nato sources said the move had diffused tensions "palpably" on the alliance's often volatile south-eastern flank.

"Greek-Turkish problems could be solved tomorrow," said Theodore Pangalos, Greece's outspoken foreign minister.

Diplomats say that with so many other internal problems and foes Turkey is keen to patch up relations with Greece. Athens, under the moderate leadership of Costas Simitis, is also eager to mend relations. Mr Simitis believes an end to the cold war would allow, him to free defence funds for his cash-strapped government to meet the Maastricht target.