

Not long ago Greece was one of Europe's troublemakers. No more. BY RICHARD ERNSBERGER JR. AND TOULA VLAHOU

# Greek Revival

**F**OR TOO LONG, THE WORDS "GREEK" AND "DIPLOMACY" were an oxymoron. Greece's populist leaders had a knack for picking the wrong friends and annoying the country's allies in NATO and the European Union. The late prime minister Andreas Papandreou was a fiery critic of America, and Greece seemed almost to revel in its role as spoiler. It was constantly at odds with Turkey, its bitter rival. It openly sided with Serbia and its thug-in-chief Slobodan Milosevic during Yugoslavia's civil war. "We appeared to be on the wrong side of every

foreign-policy front," says Greece's Balkan envoy, Alex Rondos, "and the West considered us miscreants."

That was the old Greece. The new Greece is far different. Led by Prime Minister Costas Simitis and Foreign Minister George Papandreou, the son of Andreas, Athens has adopted a dramatically new approach to relations with Europe, America and its Balkan neighbors. Educated in the West, modernist and Europe-oriented in outlook, Simitis and Papandreou head a group of technocrats who seek to make Greece a more dynamic and reliable democracy—and a force for stability in the region.

Old-guard critics deride them as "America's boys." But they seem to be succeeding. Relations with Turkey are better than they've been in decades. Far from shunning Macedonia, Greece has become, oddly enough, the beleaguered republic's new best friend and biggest investor. Last week Simitis met U.S. President George W. Bush in Washington, D.C. It was only a get-acquainted session, but the American president praised Greece's new "vision," particularly its new démarche with Turkey. Papandreou himself told NEWSWEEK that Greece nowadays is a more confident country: "We're acting with a sense of responsibility and have an historical opportunity to change the face of this region for the better."

Greece's transformation began in 1999. Then, in one of the more humiliating diplomatic blunders of modern Greek history,

the foreign minister of the time, Theodore Pangalos, offered sanctuary to Abdullah Ocalan, the Kurdish terrorist fleeing authorities in Turkey. The idea was to hide him at the Greek Embassy in Kenya. But Turkey got wind of the plan and seized Ocalan, its avowed public enemy No. 1, and whisked him home for trial and conviction.

The debacle forced a wholesale rethinking of Greece's foreign policy. Simitis sacked Pangalos and replaced him with Papandreou, who has since brought a more worldly and accommodating attitude to his post. "He has a vision of Greece as a bridge between Europe and the Balkans," says Sherle Schwenninger of the World Policy Institute. Adds Nicholas X. Rizopoulos, a history professor at Adelphi University in New York: "He doesn't talk, look or think like his father. He's a total antithesis."

That new thinking has already brought dramatic changes in the country's tangled relations with the outside world:

**Yugoslavia and Kosovo:** Greece walked a tightrope during the civil war and subsequent NATO air campaign. Greek public opinion was—and remains—pro-Serb. At

the outset of the Kosovo conflict in 1999, Greece worried about refugees and the reaction of its own people, and tried to persuade the allies not to bomb the Serbs. Yet while Greeks took to the streets to protest the allied action, the government refused to break ranks with NATO. Instead, Papan-



NEW ERA: Celebrating the euro—and Europe. Papandreou (right) meets Cem in Ankara.

dreou and others shuttled to Belgrade, seeking to convince Milosevic that, as Ronputs it, "the witching hour had come."

Today, Greece has a modest number of peacekeepers in Bosnia and Kosovo, and Athens has expressed a willingness to boost its contingent if the United States, busy in Afghanistan, reduces its Balkan presence. What's more, under a Greek Plan for Economic Aid and Reconstruction in the Balkans, \$586 million has been pledged to Albania, Macedonia, Bulgaria and Romania, pending approval by Parliament.

**Macedonia:** It took international intervention to keep Greece from bullying Macedonia over the latter's name. (Greece considers the name Macedonia part of its Hellenic heritage.) But when fighting with Albanian guerrillas erupted last spring, Greece rushed to its old foe's side. At Papandreou's urging during a visit to Skopje, Macedonia's foreign minister flew to Albania, prompting the Tirana government to disavow the rebels. Greece then helped set up refugee camps in those two countries—though

it refused to accept any refugees itself.

Economic relations are thriving. A few years ago, Macedonia's chief trading partner was Serbia. Today it's Greece, by a wide margin. There are plans to build an oil pipeline between the two countries; among other projects, Greek entities will expand Macedonia's electrical grid. Greek companies have invested \$400 million in Macedonia since 1995—making Macedonia the single biggest recipient of Greek direct investment.

**Turkey:** There are encouraging signs of a rapprochement between these longtime enemies. Last year, in a major gesture of solidarity, Greece came to Turkey's aid after a devastating earthquake. Two years ago Papandreou basked in applause from students at the Middle East Technical University in Ankara where he took a barrage of questions during a live TV broadcast—the first visit to Turkey by a Greek foreign minister in 27 years. Papandreou and his Turkish counterpart, Ismail Cem, talk regularly. "They have a good personal relationship,"

says a senior U.S. official. "And they are talking seriously about Cyprus. I wouldn't say a settlement is on the horizon, but a lot of nasty underbrush is being cleared away."

Simitis and Papandreou still face serious challenges. As the prime minister himself once reminded the nation, "this is Greece." Past political entanglements still haunt the regime. Serbia's new leaders, for example, are suspicious of Greece because of its past ties to Milosevic. Relations with Turkey remain charged, especially over Cyprus. Indeed, Papandreou has threatened to keep Turkey out of the EU if Ankara continues to oppose the admission of the Greek-Cypriot-run Republic of Cyprus. The United States wants Greece to start catching terrorists from the anarchist group called November 17. And Simitis and Papandreou take flak from both the left and the right for being too pro-Western and pragmatic toward Turkey. Maybe the rank and file just need time to adjust to Greece's new course. They are not used to smart diplomacy. ■