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# AN UNCERTAIN FUTURE: EGYPT'S QUEST FOR STABILITY AND REPOSITIONING IN FOREIGN POLICY

İSMAIL NUMAN TELCİ



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### Center for Middle Eastern Studies

**Address** : Mustafa Kemal Mah. 2128 Sk. No: 3 Çankaya, ANKARA  
**Phone** : +90 850 888 15 20  
**Email** : info@orsam.org.tr  
**Photos** : Anadolu Agency (AA)

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# AN UNCERTAIN FUTURE: EGYPT'S QUEST FOR STABILITY AND REPOSITIONING IN FOREIGN POLICY

## About the Author

### ■ Assoc. Prof. İsmail Numan Telci

In addition to serving as Vice President and Coordinator of Gulf Studies at the Center for Middle Eastern Studies (ORSAM), İsmail Numan Telci also lectures at undergraduate, graduate, and doctoral levels at the Middle East Institute and the Department of International Relations at Sakarya University. Telci was the founding deputy director of the Middle East Institute from 2014 to 2018. His research focuses on Gulf politics, foreign policies of the Gulf States, Egyptian politics, social movements in Egypt, and Arab revolutions. He is the author of "Mısır Devrimi Sözlüğü" ("Dictionary of the Egyptian Revolution") (2013), "Mısır: Devrim ve Karşı Devrim" ("Egypt: Revolution and Counter-Revolution") (2017) and "Devrim Sonrası Mısır Dış Politikası: Dönüşüm Arayışından Meşruiyet Çıkmazına" ("Post-Revolution Egyptian Foreign Policy: From the Quest for Transformation to the Impasse of Legitimacy") (2018). From 2017 to 2019, he worked as an executive and researcher on projects supported by the United Nations High Commissioner for Refugees, the International Centre for Migration Policy Development, and the Organisation of Islamic Cooperation.

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## INTRODUCTION

**R**elations between Egypt and Turkey have always progressed on a sustainable trajectory since the establishment of ties in 1925, despite ups and downs during specific periods. The deterioration in bilateral relations that began with the military coup in Egypt in 2013 and the years-long diplomatic stalemate show signs of softening. In 2020, there were several occasions where Turkish and Egyptian officials announced that formal closed-door meetings were being held between the diplomatic and intelligence officials of the two countries.

That is still the case in 2021 as well, as it became official with the departure of a diplomatic delegation from Turkey to Egypt on May 5-6, after negotiations were held to end the crisis. The questions as to which country initiated the normalization process between the two countries or which country needs it more are less important than the normalization process itself. At this point, the normalization of

relations between Turkey and Egypt has the potential to affect many regional developments.

In addition to that, specific dynamics of the two countries, the impact of regional developments, and the roles of external actors should be taken into consideration in the analysis. For instance, the competition in the Eastern Mediterranean is becoming a wearing and unsustainable process for both countries. This aspect of the conflict can be shown as an important dynamic of the normalization process between the two. While Turkey does not prefer the strengthening of the alliance against itself in the region, Egypt accepted that there could be no equation in the Eastern Mediterranean that does not include Turkey. A similar situation is also the case for Libya. The gradual strengthening of Turkey's position in Libya and the insistence of Haftar's forces, supported by Egypt, on an endless unsuccessful campaign forced Cairo to change its policies.

In addition, the Gulf's dubious approach to Egypt, the potential of the dam crisis with Ethiopia to deepen, and the insufficiency of the Egyptian army in the fight against terrorism in the Sinai region threaten the future of the Sisi administration and force the Egyptian administration to seek more urgent solutions. Therefore, Egypt's initiatives in the normalization process with Turkey can also be considered as Cairo's search for a way to tackle its

problems regarding domestic politics, security, foreign policy and the economy.

In this context, it is necessary to look at contemporary Egypt to understand the shift in Egypt's approach to Turkey. Therefore, this study will focus on Egypt's domestic challenges, foreign policy uncertainties, economic and social problems, and civil-military relations, with an approach that goes beyond the normalization discussions with Turkey.

## ECONOMIC CHALLENGES PERSIST



Egyptian President Sisi at the opening of the new Suez Canal

The population of Egypt passed the 100 million mark, making it the most populous country in the Middle East and North Africa region. Despite a growing population at a rate of two percent, the lack of job opportunities is a significant concern for the government. According to the figures of the Central Agency for Public Mobilisation and Statistics (CAPMAS), people aged 15-65 constitute 61 percent of the population, while 34 percent is under 15.<sup>1</sup> According to data from the International Labour Organisation, Egypt has a labor force of 29 million, aged 15 and older, that provides labor for goods and services.<sup>2</sup>

Egypt's growing population is a new concern for the country struggling with political instability and economic uncertainty since the 2013 coup d'état. In an uncommon move, various political, social, and religious institutions have been conducting birth control campaigns to

prevent population growth, the likes of which Egypt had never seen before. The highlight on the importance of birth control and the praising of small families at Friday sermons across the country on 19 February 2021 reveal how the Sisi government is concerned about this issue.<sup>3</sup>

Although Egypt has the capacity for self-sufficiency as far as its natural resources are concerned, it has failed to make serious progress in terms of political stability and economic development due to factors such as poor management and interference by regional and global actors in its internal affairs. This situation has been more or less the same since the early years of the Hosni Mubarak regime, where the country's natural resources were not successfully utilized to the benefit of the economic outlook. Egypt showed little economic progress during the 30-year-long Hos-

<sup>1</sup> "Egypt's population predicted to reach 101 million in October: CAPMAS, *Egypt Independent*, 12 July 2020.

<sup>2</sup> Egypt Country Profile, *The World Bank*, <https://data.worldbank.org/indicator/SL.TLF.TOTL.IN?locations=EG>

<sup>3</sup> Taha Kılınc, "İki Çocuk", *Yeni Şafak*, 20 Şubat 2021

**Economic instability is one of the significant elements that make the Sisi government increasingly fragile, both at home and abroad. Despite the enormous financial aid provided by the Gulf States and the international support from Western countries, the Sisi regime could not find a way to overcome its economic problems.**

ni Mubarak era (1981-2011), trying to keep the economy on its feet with the support of tourism and natural resources, which became even worse with the 2011 revolution.<sup>4</sup> Economic hardships have continued in the post-revolutionary era since 2011, with additional pressure following the military coup of July 2013.

Economic instability is one of the significant elements that make the Sisi government increasingly fragile, both at home and abroad. Despite the enormous financial aid provided by the Gulf States and the international support<sup>5</sup> from Western countries, the Sisi regime could not find a way to overcome its economic problems.

While the uncertainty in the post-revolution period harmed the country's economy, the short-term stability following the election of Mohamed Morsi as president in 2012 generated a positive impact on the economy. Between 2011 and 2013, initiatives were taken to address the problems stemming from the heavy economic burden left by the previous regime, such as increasing state aid, public employment, and wages. While countries like Turkey, Qatar, and

Libya provided financial support to Cairo during this period, the International Monetary Fund (IMF) refrained from lending funds to Egypt. However, the Morsi government concentrated on consolidating political power and ignored the solution of the economic problems, which adversely affected the country's economy, with a growth rate of over 2 percent in 2012. The major impact felt was the sharp decline in tourism revenues, which consequently inflicted a severe blow to the country's foreign exchange reserves. Accounting for 12 percent of national income, the tourism sector in Egypt employs 2.8 million people.<sup>6</sup>

When Sisi first took office in 2013, he set an economic agenda aimed at boosting energy supply, improving public finances, increasing external financing, moving to a more flexible exchange rate regime, and expanding the private sector. The regime resorted to foreign support to acquire money flow into the country. In this context, Saudi Arabia and the United Arab Emirates (UAE), which supported the military coup in Egypt, announced a \$12-billion aid package.<sup>7</sup> In addition, Egypt received

<sup>4</sup> Kirsten Henderson & Rajat Ganguly, Mubarak's Fall in Egypt: How and Why did it Happen?, *Strategic Analysis*, 39:1, 2015, pp. 44-59.

<sup>5</sup> David Butter, "Egypt and the Gulf: Allies and Rivals", *Chatham House*, 20 April 2020.

<sup>6</sup> Sabine Frerichs, "Egypt's Neoliberal Reforms and the Moral Economy of Bread: Sadat, Mubarak, Morsi", *Review of Radical Political Economics*, 2015, pp. 3-5.

<sup>7</sup> Andrey Korotayev, Leonid Issaev & Alisa Shishkina, "Egyptian coup of 2013: an 'econometric' analysis", *Journal of African Studies*, 2016, pp.344.



Egyptian President Abdel Fattah el-Sisi in Saudi Arabia

a three-year \$12-billion bailout package from the International Monetary Fund (IMF) in 2016.<sup>8</sup> This loan entailed strict conditions: state subsidies for necessities such as food and fuel were cut, and a new value-added tax was introduced as part of the reforms. However, the depreciation of the Egyptian pound by up to 65% against the US dollar posed severe economic problems for lower- and middle-income classes. The economic policies

implemented made the people of Egypt even poorer. Furthermore, the COVID-19 pandemic of the last year also dealt a heavy blow to tourism.

Today, Egypt's national income per capita is \$3,560.<sup>9</sup> The country's foreign debt, on the other hand, rose to \$125.3 billion.<sup>10</sup> According to governmental data, the unemployment rate was 7.2 percent<sup>11</sup> and inflation was at 5.1

<sup>8</sup> IMF, "IMF Executive Board Approves US\$12 billion Extended Arrangement Under the Extended Fund Facility for Egypt", *International Monetary Fund*, Press Release No. 16/501, 11 November 2016. <https://www.imf.org/en/News/Articles/2016/11/11/PR16501-Egypt-Executive-Board-Approves-12-billion-Extended-Arrangement>

<sup>9</sup> IMF, Arap Republic of Egypt Country Profile, <https://www.imf.org/en/Countries/EGY>

<sup>10</sup> "Egypt's external debt jumped to \$125.3 bln end of September 2020: CBE", *Ahram Online*, 11 March 2021

<sup>11</sup> "Egypt's unemployment rate records 7.2% in Q4 2020: CAPMAS", *Egypt Today*, 15 February 2021

percent in 2020.<sup>12</sup> Despite these economic challenges, Egypt recorded a growth rate of 3.5 percent.<sup>13</sup> Although there has recently been a recovery since the devaluation of the Egyptian pound against the US dollar, purchasing power in the country has considerably reduced.

In parallel, the living conditions of low- and middle-income classes, who make up the largest segment of Egyptian society, have worsened. Furthermore, in such an envi-

ronment, uncovering the acts of corruption committed by the Sisi government through various channels caused outrage among large segments across Egypt. As a result of worsening economic conditions in the last months of 2019, thousands of Egyptians took to the streets to protest the policies of the Sisi regime and the allegations of corruption, especially those concerning the Egyptian army; in an environment where the government had banned all forms of protests and cracked down on those that emerged.<sup>14</sup>

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<sup>12</sup> Central Bank of Egypt (CBE), Inflation Rates.

<sup>13</sup> Egypt Country Profile, *The World Bank*, <https://data.worldbank.org/indicator/SL.TLF.TOTL.IN?locations=EG>

<sup>14</sup> Alessia Melcangi and Giuseppe Dentice, "Egypt's latest protests are an alarm bell for Sisi", *Atlantic Council*, 21 October 2019.

## A WEAKENING STATE-SOCIETY RELATIONS



The 2013 military coup had created lethal damage to the social fabric in Egypt. It caused strong disbelief among masses that aspired for a democratic transformation in the post-2011 period. However, with the military coup, those democratic prospects turned into despair as the pressure on the opposition increased gradually. In parallel with the policies implemented by the regime, Egyptians distanced themselves from the leadership of Abdel Fattah el-Sisi. International observers currently consider the Sisi administration as a failed regime because of its repressive attitude toward the opposition and controversial steps in foreign policy. David D. Kirkpatrick, the former Cairo bureau chief for The New York Times, who had closely observed the country for many years, discusses in detail in his book "Into the Hands of Soldiers: Freedom and Chaos in Egypt and the Middle East" how

Egypt deviated from its democratic goals and how it fell victim to a counter-revolution in the post-revolution era of 2011.<sup>15</sup> At this point, it would be appropriate to talk about the domestic issues putting an increasing amount of pressure on the Sisi regime.

Given its history, traditions, and cultural depth, Egypt can undoubtedly be considered as one of the most critical countries in the Middle East.<sup>16</sup> However, the country, whose regional importance and influence have eroded, especially since the era of Anwar Sadat, has been the victim of political leadership that failed to address the country's acute problems. This situation further deteriorated in the aftermath of a military coup, in which large segments of civil opposition were repressed and excluded from political processes. As economic problems persisted, social injustice deepened, political rights were suspended, and the Egypt-

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<sup>15</sup> David D. Kirkpatrick, *Into the Hands of the Soldiers: Freedom and Chaos in Egypt and the Middle East*, New York: Viking, August 2018.

<sup>16</sup> Hamed A. Ead, "Globalization in higher education in Egypt in a historical context", *Research in Globalization*, Vol. 1, 2019, pp. 1-5.



EU-Arab League summit in Egypt

tians lost trust in their leadership and political institutions. In today's Egypt, there is no solid trust in the country's ruling elite, while the youth lost hope for a democratic transformation, which they had been dreaming of since 2011.

The repressive policies against the opposition implemented by the government that came to power after the 2013 coup are one of the reasons behind this situation. Practices, which were criticized by international organizations, such as attacks on freedoms, violations of human rights, and the intimidation of political opposition; forced the educated, young and wealthy Egyptians to leave their country. Indeed, hundreds of thousands of Egyptians had to leave their country and build new lives in various countries. Thus, a dynamic and educated generation was practically lost. Those

who remained had to face political exclusion, lack of employment opportunities, and political and economic uncertainties.<sup>17</sup>

This is unacceptable by many in a country like Egypt, which has an extremely rich history of ancient civilizations and a multicultural social fabric that is productive, pluralistic, and at peace with its past. However, the decades-long repressive and exclusionary policies pursued against the political opposition in the country have transformed this dynamic society into an intimidated and suppressed one. This negative outlook can be witnessed in all sectors that the government controls, from the economy to education, from culture to trade and from domestic politics to foreign affairs. A country that was the leader in the Arab world for years now appears to be ineffective and weak in almost all aspects.

<sup>17</sup> Shaimaa Magued, "The Egyptian Muslim Brotherhood's transnational advocacy in Turkey: a new means of political participation", *British Journal of Middle Eastern Studies*, 45/3, 2018. pp. 483.

The domestic and foreign policies pursued by the Sisi government seem far from being approved by the popular masses. A large segment of the Egyptian society is not convinced on many issues, including the policies against the Muslim Brotherhood, the handling of terrorism in northern Sinai, and the economic policies, particularly the agreements with the International Monetary Fund (IMF). As a result, while the support for the Sisi government is shallow, it is believed that the discontent with the government could cause more severe damage to the regime in the short term.

In addition to this, the opposition to the Sisi regime is active on traditional and social media. Many television channels available on satellite and influential social media channels (Facebook, Twitter, YouTube) play an important role for the opposition against the policies of the regime in Egypt. It should also be noted that such activities are usually conducted from abroad, as domestic opposition is strictly restricted in the country. As long as the Egyptian opposition in the diaspora consolidates its political and economic power, the pressure on the Sisi government is likely to continue,

which will most likely keep anti-government sentiments vivid throughout the country. As these critics reach out to large segments of Egyptian society, their activities will further damage the credibility of the Sisi regime.

A similar negative perception toward the Sisi regime also exists in the global public opinion. This is mainly because of the heavy criticism by international media against the Sisi regime. Although countries like France, Germany, Italy, the UK, and the US continue to maintain good relations with Cairo to protect their economic and regional interests, independent media outlets in these Western countries criticize the repressive policies of Cairo against the opposition. Leading media outlets and NGOs, such as the British *The Guardian*<sup>18</sup> and the French news channel *France24*<sup>19</sup>, broadcast programs in which heavy accusations against the Sisi regime were made. The fact that the media criticize the repression of opposition in Egypt and claim that the government is pushing Egypt toward a "collapsed state", shows that the opposition also holds the moral and discursive high ground in the eyes of the public.

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<sup>18</sup> A "Ten years on from the Arab spring, Sisi has made life in Egypt hellish", *The Guardian*, 11 February 2021

<sup>19</sup> "You don't have a country: Ten years after Egypt uprising, exiles disillusioned", *France 24*, 25 January 2021



## SECURITY CHALLENGES AND THE EGYPTIAN MILITARY



The Egyptian Army continues its operations in Northern Sinai

Historically, the armed forces have been one of the determining actors of political life in Egypt. All heads of state to hold sway over the country come from a military background, except for Mohamed Morsi.<sup>20</sup> After the yearlong ruling of Gamal Abdel Nasser, Anwar Sadat, and Hosni Mubarak, there were attempts to establish civil politics during Mohamed Morsi's period, but with the 2013 coup, the then Chief of Staff Abdel Fattah el-Sisi took over.

During the Sisi period, the army and other security apparatuses continued to be decisive actors in Egyptian politics. In this process, the army played a vital role in strengthening Sisi's power, controlling the opposition, and dealing with the foreign policy matters. During this period, it is observed that the army grew significantly stronger in terms of capacity. On the other hand, it cannot be said that this increase in capacity translated into military gains. The

Egyptian army experienced serious difficulties in the face of attacks perpetrated by Wilayat Sinai, an ISIS affiliate in the region that arose in the Sinai Peninsula in recent years.<sup>21</sup> So much so that the Wilayat Sinai took control of some cities in the region from time to time, killing hundreds of Egyptian soldiers in its attacks. Therefore, it is worth taking a closer look at the place of the Egyptian army in the country's politics, economy, and social life to better understand the civil-military relations in the country.

The primary feature that distinguishes Egypt from many other countries is the army's place in the country's politics and economy. In addition to its conventional duties, namely safeguarding the country's security, the Egyptian army is also the country's most important economic power. The Egyptian army is intensively involved in many sectors from defense indus-

<sup>20</sup> Robert Priewasser, "The Missing Revolution: El-Sisi's Presidency in the Light of the Army's Historical Role in Egypt", *Wiener Zeitschrift für kritische Afrikastudien*, 27/14, 2014, pp. 56.

<sup>21</sup> Allison McManus, "ISIS in the Sinai: A Persistent Threat for Egypt", *Newlines Institute*, 23 June 2020.

**With a \$2 billion deal with Russia for the purchase of 20 SU-35 fighter jets, Egypt wanted to show that the West was not its sole supplier.**

try to many other industries such as textile, food, agriculture and telecommunications.. However, large sections of the Egyptian public are discontent with the military's activities. For example, Sisi's promotion of vegetables produced in a greenhouse run by the Egyptian army became subject to nationwide ridicule.<sup>22</sup>

It is safe to say that the Egyptian army has plenty of problems in terms of capacity, functionality, and operational capability. It lacks the equipment capable of responding to modern threats that is essential in the fight against terrorist organizations, and thus vulnerable to the attacks from such terrorist organizations, notably the Wilayat Sinai. Indeed, in some cases, it can be seen that this organization has weapons in its arsenal that do not exist in the Egyptian army and carries out large-scale attacks on Egyptian military targets.<sup>23</sup> The fact that a regular army, which, in some cases, is unable to defend itself

against a terrorist group, provokes a severe backlash to Sisi's rule in Egypt. To minimize such reactions, the government is increasing the purchase of weapons, especially through imports, and maintaining an image of a robust military in the public eye. Within this framework, it is known that Egypt purchased a considerable number of weapons from countries such as France, Russia, the UK, and the US, in the wake of the 2013 military coup. Back in 2015, Egypt signed a deal with France for the purchase of 24 Rafale fighter jets for \$6 billion, and for 30 Rafale jets for \$4.5 billion in 2021.<sup>24</sup> The Sisi administration signed a deal with Germany for four submarines for \$2 billion, all of which were delivered by 2021.<sup>25</sup> Since 2013, the Sisi administration has purchased billions of dollars' worth of weapons from many countries, especially the US, the UK, Italy, and Russia.<sup>26</sup>

On the other hand, despite all these expenditures and the sup-

<sup>22</sup> "Sisi denies making fun of overweight Egyptians", *Middle East Online*, 27 December 2018

<sup>23</sup> Allison McManus, *ibid*.

<sup>24</sup> "Egypt to buy Rafale fighter jets worth \$4.5bn from France", *Al Jazeera*, 4 May 2021.

<sup>25</sup> A remarkable fact about the agreement signed with Germany was that this agreement was made with Israel's consent. Indeed, Thyssen Krupp, a submarine manufacturer, wanted to guarantee future purchases from Israel, one of its biggest customers, and therefore, concluded the agreement with Egypt after consulting Tel-Aviv. Egypt also procured two Mistral-type helicopter carriers from France to enhance its navy. The Egyptian military's defence spending continued in 2019 as well. With a \$2 billion deal with Russia for the purchase of 20 SU-35 fighter jets, Egypt wanted to show that the West was not its sole supplier. But Cairo's move was met with backlash from Washington. The US government announced that it would impose sanctions on Egypt in case it signed an agreement with Russia.

<sup>26</sup> Gökтуğ Sönmez, Gökhan Batu ve Zeynep Duran, "Investments in Armaments and Military Infrastructure of Egypt in the Al-Sisi Period", *ORSAM*, Report, No:24, December 2020, pp. 24-28.

ply of modern military equipment, the Egyptian army could not modernize itself. This is evident in the army's inability to carry out certain internal and external operations. During the fight in the Sinai Peninsula against the Islamic State, air support was received from Israel, and Israeli jets carried out an operation against terrorist elements in the area for Egypt. On the other hand, in Libya, it was seen that the Egyptian army was insufficient in its support to Khalifa Haftar. Thus, land and air support were received from the UAE. Indeed, mercenaries funded by the UAE were placed under the command of Haftar's forces and the UAE's drones carried out attacks in Libya.<sup>27</sup> While the activities of the Egyptian navy in the

Eastern Mediterranean and the Red Sea were limited to military exercises, these initiatives did not deter the rival countries from carrying out their activities in the region.

This situation of the Egyptian army brings some limitations to the country's foreign policy. The main reason why Egypt avoided a military confrontation during the dam crisis with Ethiopia was its concern about falling short in case of such a confrontation. On the other hand, as Egypt was aware of its military inferiority compared to Turkey, it avoided further confrontation with Ankara on issues such as the Eastern Mediterranean and Libya.<sup>28</sup> This situation is one of the factors behind the recent normalization between Turkey and Egypt.

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<sup>27</sup> Hamdi Yıldız, "Saudi Arabia, UAE support Egypt's comments on Libya", *Anadolu Agency*, 21 June 2020.

<sup>28</sup> Sertaç Hami Başeren, "Mısır-Yunanistan anlaşması ve Türkiye'nin Doğu Akdeniz'deki uygulamaları", *Anadolu Agency*, 26 August 2020.



## REORIENTATION OF EGYPT'S FOREIGN POLICY



President of Egypt Abdel Fattah Al-Sisi in Sudan

Recently, Egypt has been facing considerable problems in its foreign policy. Together with its Gulf partners, Egypt was one of the countries that provided the most intensive support to Khalifa Haftar in his attempt to overthrow by military means the legitimate government in the capital of Libya, Tripoli.<sup>29</sup> Egypt's participation in this alliance is primarily rooted in its ideological and political interests, constituting the main building blocks of Sisi regime's foreign policy agenda. At first, the Sisi regime considered the UN-recognized Government of National Accord (GNA) and its Prime Minister Fayez al-Sarraj as threats due to their alleged ties with the Muslim Brotherhood branch of Libya. Based on this ideological motivation, the Sisi regime chose the option of protracted war instead of fighting against the rival state annexing every region and every inch of soil in Libya. Thus, Egypt tried to be involved in any kind of mechanism that undermined the reconciliation and peace process in Libya in order to weaken the GNA.

A second problem is the security concerns and the geostrategic stimulus one might associate with the long border shared with the eastern Libyan region of Cyrenaica. When Khalifa Haftar launched Operation Dignity (Operation Karama) against the so-called Islamist groups in Benghazi, Egypt found the opportunity it was looking for. With the help of its foreign backers, mainly the UAE and the Russian Wagner Group, Khalifa Haftar restored its authority and controlled other cities in the Cyrenaica region such as Derna, Sabha, Tobruk, and Bayda. During this period, Egypt's military air base was the take-off point for Emirati fighter aircrafts bombarding Tripoli and other strategic points. Turkey's interference in the Libyan process favoring Tripoli, and Haftar's failure in all of his intended schemes, forced Egypt to reconsider its Libya policy.

After Khalifa Haftar's failure in his long series of coup d'états, the Sisi regime pushed military solutions aside and approached certain

<sup>29</sup> *Ibid.*



Representatives from Egypt, Sudan and Ethiopia convene on the Renaissance Dam dispute

local actors to gain influence in the political arena. Aguilu Saleh, who is the Speaker of the Libyan House of Representatives (HoR) can be shown as an example in this regard. While engaging with the eastern parliament HoR and its leader Aguilu Saleh, a senior Egyptian security delegation visited the Libyan capital for the first time since 2010 to meet with Libyan Minister of Interior Fathi Bashagha and Head of Intelligence Service Emad Trabelsi, on 27 December.<sup>30</sup> Apart from the functioning of the 5+5 Joint Military Committee and some other security issues, the re-opening of the Egyptian embassy in Tripoli was discussed during the bilateral talks. In this way, the Sisi regime tried to invest in one of the other important figures in Libyan internal politics, Fathi Bashagha, who cooperated with Aguilu Saleh in the LPDF elections (Libyan Political Dialogue Forum) in Geneva on 5 February. It

is worth saying that the list headed by Aguilu Saleh, as the head of the Presidency Council, and Fathi Bashagha, as the Prime Minister, was thought to be favored by Egyptian officials. However, the LPDF election and its outcome frustrated Egypt, even though the emergence of newly-elected figures representing all parts of Libya (Tripolitania, Cyrenaica and Fezzan), should have been expected. At this stage, Cairo ceased its support for Haftar while maintaining its relations with the Tripoli government on a positive agenda.<sup>31</sup>

Another challenge for the Egyptian government is Ethiopia's construction and filling works in the Grand Ethiopian Renaissance Dam (GERD) on the Nile. In July 2020, Egypt brought the issue to the United Nations (UN) after negotiations between Sudan, Egypt, and Ethiopia ended in a stalemate. Except for some compromises, the UN talks could not bring a

<sup>30</sup> "Top Egypt officials visit Libya capital for first time in years", *Reuters*, 27 December 2020

<sup>31</sup> MÜCAHİT AYDEMİR, "Egypt signs deals with Libya, including for flight resumptions", *Anadolu Agency*, 21 April 2021.



President of Egypt Abdel Fattah Al-Sisi in Sudan

permanent solution to the crisis.<sup>32</sup> Egypt's inability to reach an agreement with Ethiopia regarding the construction and filling works in the dam, which is likely to cause significant problems in the coming years, is seen as a severe failure. Since Egypt depends on the Nile for %95 of its water and electricity supply,<sup>33</sup> the policy to be followed by the Sisi regime might be vital not only for Cairo's political interests but also for all Egyptians and their future generations. In this regard, the country's rural population constitutes the majority, and a lack of sufficient energy resources can cause harm to the subsistence of workers and may unveil a new food crisis.

Sisi's policy toward the Israel-Palestine conflict is another

foreign policy issue that was heavily criticized by the Egyptians. After the military coup, the Sisi regime adopted a new policy toward Gaza and launched a political pressure campaign in the region.<sup>34</sup> This policy was remarkably in line with Israel's policies toward Palestine. Within this framework, the Sisi regime, which had largely evacuated the city of Rafah on the Israeli border and decided to establish a buffer zone along the border, received strong reaction from local people and the Palestinians living in Gaza. As a matter of fact, after this initiative, the Sisi administration initiated a large-scale operation against underground tunnels, which are seen as Gaza's gateways to the outside world, and made hundreds

**In May 2021, the limited reactions of the Sisi administration to Israel's provocations in the al-Aqsa Mosque and to its bloody operation in Gaza were also criticized by the Egyptian public. Upon these reactions, Sisi allowed those who wanted to enter Egypt for medical attention by opening the Rafah border with Gaza and delivered humanitarian aid to the region after the attacks.**

<sup>32</sup> Peter Fabricius, "Could new mediators resolve the GERD dispute?", *Institute for Security Studies ISS*, 5 March 2021.

<sup>33</sup> Bakenaz A. Zeidan, "Water Conflicts in the Nile River Basin: Impacts on Egypt Water Resources Management and Road Map", *Review Article*, 2013, pp. 9.

<sup>34</sup> Mohammed Soliman, "Sisi's New Approach to Egypt-Israel Relations", *Fikra Forum*, 29 July 2016.

of them unusable by filling them with seawater or demolishing them. In this process, the Sisi administration, acting in coordination with both Israel and the Gulf countries, contributed to the isolation of the Gaza Strip through methods that no Egyptian administration had previously implemented. On the other hand, the Israeli army's support to the Egyptian army during the operations in Sinai and the high-level visits between the two administrations, and the inability of the Sisi regime to play an active role regarding the Palestine issue, further increased the public pressure on

Cairo. In May 2021, the limited reactions of the Sisi administration to Israel's provocations in the al-Aqsa Mosque and to its bloody operation in Gaza were also criticized by the Egyptian public. Upon these reactions, Sisi allowed those who wanted to enter Egypt for medical attention by opening the Rafah border with Gaza and delivered humanitarian aid to the region after the attacks. Huge photographs were printed showing Sisi on trucks carrying humanitarian aid with the caption "Sisi is a gift to Gaza", and this also received negative reactions at the domestic and international level.<sup>35</sup>

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<sup>35</sup>"Egypt sends food, medical aid to Palestine" *Africanews*, 18 May 2021.

## THE GROWING INFLUENCE OF THE GULF STATES ON EGYPT



Abdel Fattah el-Sisi and King of Saudi Arabia Salman bin Abdulaziz

Foreign policy and relations with regional actors have been an important aspect of the Sisi administration since the military coup in 2013. In the post-coup period, Egypt's relationship with other Gulf countries has become remarkably important. Countries like Saudi Arabia, the UAE, and Bahrain have been the biggest supporters of the Sisi administration and together they have provided huge financial support to Cairo. These Gulf states were also the prominent supporters of military purchases made by the Sisi administration, as they considered Cairo as an integral part of their expansionist regional agenda. This has been the primary reason for Gulf states to support arms sales to Egypt since the military coup in 2013. Actors such as Saudi Arabia and the UAE, which provide financial support to Sisi, also use their diplomatic as well as economic instruments and connections to attract global capital to Egypt.<sup>36</sup>

The interventionist foreign policy actors of the Gulf region, which play an increasing role in

the regional politics, are also enhancing their decisive position in Egyptian domestic politics. It should be noted that local actors, who developed close relations with the US and Israel in the past, are aware that if they show their loyalty to Riyadh and Abu Dhabi today, they can find in the future a place in their power structure through financial and diplomatic support. This was clearly the case in the process that led to the coup d'état of 3 July 2013. It is widely argued that Saudi Arabia and the UAE were the leading supporters of the military coup against Egypt's first democratically elected civilian leader, Mohamed Morsi. Even though there is clear evidence of this, a closer look at the post-coup period would further reveal the nature of the relationship between Cairo-Riyadh and Abu Dhabi.

While Saudi and Emirati leaders were the first to support Sisi right after the coup, these countries also announced that they would provide billions of dollars in aid to Cairo in a

<sup>36</sup> David Butter, "Egypt and the Gulf: Allies and Rivals", *Chatham House*, 20 April 2020.



Abdel Fattah Al Sisi meets Abu Dhabi Crown Prince Mohammed bin Zayed

short time.<sup>37</sup> In the following period, these countries, which used Egypt as an instrument in their foreign policy initiatives in the region, were also influential in the deterioration of relations between Cairo and Ankara. Saudi Arabia and the UAE, by forcing Egypt to act in line with their own foreign policy goals in Libya, Yemen, the Horn of Africa, and the Eastern Mediterranean, wanted the Sisi administration to support military operations in Libya and Yemen.

On the other hand, while responding to the demands of these countries, the Sisi administration prioritized the agendas of these countries in military matters, regional developments, and bilateral relations. In this regard, one of the decisions made by the Sisi administration that caused reaction in the Egyptian public opinion was the cession of the Tiran and Sanafir islands in the Red Sea to Saudi Arabia.<sup>38</sup> Although the Egyptian administration

claimed that the sovereignty of these islands should rest with Saudi Arabia from a historical perspective, this explanation was not enough to convince the public, who harshly protested Sisi during this period.

On the one hand, Egypt acted under the guidance of these countries in its Libya policy. Despite its historically positive relations with Libya and the severe economic and security problems experienced in Egypt due to the prolongation of the conflicts, the Sisi administration supported Haftar's forces against the GNA with the encouragement of the UAE. This situation, which to the detriment of Egypt's interests, became unsustainable for the Sisi administration after some time. As a result, Cairo reduced its support for Khalifa Haftar in Libya. One can even argue that that this change of policy was implemented as part of Egypt's attempt to normalize its relations with Turkey.

<sup>37</sup> "Gulf countries supported Egypt with \$92bn since 2011", *Middle East Monitor*, 19 March 2019.

<sup>38</sup> "Egypt's parliament approves islands deal to Saudi Arabia", *BBC News*, 14 June 2017.

## RELATIONS WITH TURKEY



Turkish delegation in Egypt

A final aspect of Egyptian foreign policy, which has been widely discussed, is its relations with Turkey. It is well-known that the crisis between the two countries happens at the diplomatic level, not social. There is a strong positive perception between the two societies toward one another. This is particularly the case for the Egyptian public opinion, which sees Turkey as having democratic institutions, economic prosperity, and balanced social dynamics. Therefore, it has been a challenge for the Sisi administration to convince the Egyptians that Turkish policy toward Egypt was damaging. As a result, the positive perception toward Turkey continued, and this put even more pressure on the Sisi regime to reconcile with Ankara.

When analyzed from a public point of view, it can be concluded that the Sisi administration's severing of relations with Ankara following the coup did not significantly change the Egyptian public opinion on Turkey, in spite of the deteriorating diplomatic relations in the following

years. The positive perception toward Turkey increased significantly thanks to Turkish television series, which used to enjoy great popularity in Egypt at the time, as they did anywhere else in the world. Indeed, millions of Egyptians could not understand why the Sisi administration took a tough stance toward Ankara. They neither called for an anti-Turkey boycott, nor demanded the services provided by Yunus Emre Cultural Centres in Cairo and Alexandria to be stopped. The enrolment of the Egyptians in Turkish language classes at these two centers continues to increase with each passing year. Moreover, Turkey has also remained as one of the leading destinations for tens and thousands of Egyptians fleeing the repressive policies of the putschist regime. It should be noted that Turkey pursues this policy for the sake of democratic practices and human rights and not with any other ideological concern.

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tries. Egypt is the biggest exporter of Turkish goods in Africa. The two countries signed a free trade agreement in 2005.<sup>39</sup> In 2012, when Morsi came to power, the bilateral trade volume reached \$5 billion and rose to \$5.2 billion in 2018. Despite the crisis in the political relations, the maintenance of this level is a sign that the trade between the two countries happens in a separate dimension. Another important indicator is that BIM, a Turkish supermarket chain, has expanded to Egypt, opening dozens of new stores every year since 2012.<sup>40</sup>

On the other hand, the Sisi regime also lost the political battle against Turkey. In Libya, by supporting Khalifa Haftar against the internationally recognized government in Tripoli, the Sisi regime sought to carry out a coup d'état in the country and to curb Turkey's influence. Nevertheless, due to Ankara's firm stance and its red lines regarding Libya, the country was prevented from falling under military rule, yet became further destabilized. The Turkey-backed government in Tripoli strengthened its position, while Haftar's troops could not succeed in their Egyptian-backed campaign.

Another cause for tension between Egypt and Turkey was Sisi government's inability to achieve its goals is the Eastern Mediterranean. Egypt's efforts to form alliance against Turkey with countries like Israel, Greece, Southern Cyprus, and Italy remained fruitless due to the agreements between Ankara and Tripoli. In the face of this alliance, Egypt could not attain its achievements. On the contrary, the Egyptian side faces a dilemma from the perspective of realpolitik. The illustration made by Turkish experts showing Egypt's loss of maritime zones under its Exclusive Economic Zone (EEZ) agreement with Southern Cyprus, which serves the interests of the latter, best represents how Egypt's political positioning harmed its national and economic interests. According to Cihat Yaycı, a former admiral and the founder of the "Blue Homeland" doctrine, Egypt lost 11,500 km<sup>2</sup> of maritime zone by not signing an EEZ agreement with Turkey.<sup>41</sup> On the other hand, the Sisi regime, which welcomed the UAE's participation in the Eastern Mediterranean Gas Forum (EastMed Gas Forum) as an observer on Israel's proposal, enabled the UAE to take part in this illegitimate

<sup>39</sup> "Egypt", *Republic of Turkey, Ministry of Trade*, [https://www.trade.gov.tr/free-trade-agreements/egypt#:~:text=The%20Free%20Trade%20Agreement%20\(FTA,in%20trade%20between%20the%20Parties](https://www.trade.gov.tr/free-trade-agreements/egypt#:~:text=The%20Free%20Trade%20Agreement%20(FTA,in%20trade%20between%20the%20Parties).

<sup>40</sup> Nasim Chowdhury, "Turkish retailer BIM and the perils of world trade", *Daily Sabah*, 8 March 2020.

<sup>41</sup> "Cihat Yaycı'dan Mısır Yorumu: Artık kulaklara kar suyu kaçmıştır", *Sputnik*, 8 Mart 2021

union. As mentioned above, the agreement signed between Tripoli and Ankara rendered the forum completely illegitimate. Similarly, Egypt became part of the joint statement condemning Turkey's exploration activities on the 'disputed' parcels, signed by the foreign ministers of Greece, Southern Cyprus, France, and the UAE on 11 May 2020. These reactions signal that Egypt, which is part of this controversial union in terms of international law and political sustainability, would suffer more political and economic losses in the medium to long term.

It became impossible for Egypt to reach its goals in the Eastern Mediterranean because of the agreements concluded between Turkey and Libya in accordance with international law. However, the steps toward normalization taken between Ankara and Cairo in March 2021 can be interpreted as a new opportunity for Egypt to achieve its goals. In other words, Egypt and Turkey have reached an agreement on the fact that there is a need to end the political crisis and to take steps toward normalization for the protection of interests in the Eastern Mediterranean. A clear sign of this was the decision to hold the first official meeting between the two countries in eight years. The meeting took place in the Egyp-

tian capital of Cairo on 4-5 May 2021.<sup>42</sup> It was a significant step toward normalization as the atmosphere was defined as "positive" by both sides. Therefore, it is expected that there will be a meeting at the ministerial level between the two countries in order to re-establish diplomatic relations.

The recent diplomatic moves between Turkey and Egypt can also be explained by the contemporary dynamics of the Middle East. In this period, the Gulf countries have started to enter into political dialogue and partnership with Turkey, Qatar and Iran again. Saudi Arabia's recent rapprochement to Iran may have stemmed from Joe Biden's recalibration of dynamics with Iran and Yemen. While nuclear negotiations with Iran continue in Vienna, Saudi Arabia may have become aware of the fact that it cannot maintain its policy of marginalization and isolation against Iran at the highest level. In addition, the softening of relations with Qatar and the gradual resolution of the Gulf crisis seemed to have paved the way for the increasing political dialogue in the region. The recent Turkey-Saudi meetings at the ministerial level have also contributed to the climate of regional dialogue.

With all of these in mind, it should be noted that the timing

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<sup>42</sup> "Egypt and Turkey to hold two days of talks in normalisation push", *Reuters*, 4 May 2021.

of the dialogue between Turkey and Egypt is understandable. It is highly probable that these activities will positively affect both countries in the period of softening climate in the regional order. An important point for Egypt is that, the efforts aimed at both softening and maintaining future relations need to reflect national demands. As stated above, a political dialogue environment free from the influence of countries in the region that held sway over Egyptian foreign policy and Egyptian domestic politics will represent an important cornerstone for the region. In turn, the

maintenance of diplomatic relations between Egypt and Turkey may have the potential to turn diplomatic dialogue into concrete gains for the two as well as for other countries in the region. Also, the will to establish strong dialogue at all levels may set an example for other countries in their relations with Turkey. Especially for Egypt, the continuation of the dialogue with the countries in the region and with a country of primary regional significance like Turkey is essential for political and economic development.









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