

Aksoy, Hürcan Aslı; Roll, Stephan

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SWP Comment

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A Thaw in Relations between Egypt and Turkey

Weaknesses in Foreign Policy and the Economy Bring the Regimes in Cairo and Ankara Closer Together

Hürcan Ash Aksoy and Stephan Roll

The visit of a high-ranking Turkish delegation to Cairo in early May 2021 indicates a turning-point in the relations between Turkey and Egypt. Since the 2013 military coup in Egypt, the leaders of these two Mediterranean countries had been extremely hostile towards each other. The current rapprochement, which might lead in a best case scenario to a resumption of diplomatic relations, thus comes as a surprise. But it is limited in scope. The main obstacles to a closer partnership between Recep Tayyip Erdoğan and Abdel Fatah al-Sisi are differences in the ideological foundations of their regimes. The aim of these current shifts in foreign policy is to increase the presidents' room for manoeuvre. Their regimes are under pressure due to regional, international, and domestic developments. Germany and the EU should support the normalisation attempts because they can contribute to de-escalation in the region. Both regimes' current weaknesses in foreign policy and the economy provide an opportunity to call for political change in other areas.

In July 2013 the military overthrew Egypt's former President and Muslim Brother Mohamed Morsi. Since then, the governments in Ankara and Cairo have not missed an opportunity to denounce each other. Turkish President Erdoğan, whose Justice and Development Party (AKP) had close ties to the Muslim Brotherhood in Egypt, accused President al-Sisi of having illegally seized power and built up a totalitarian regime. In turn, the Egyptian leadership accused Turkey of promoting terrorism in the region through its support for the Muslim

Brotherhood, and of interfering in other countries' domestic affairs.

In summer 2020 it looked as if the "Cold War" between Cairo and Ankara could in fact turn into an armed clash. Turkey's military intervention in the Libyan civil war, and Cairo's threat of interceding with troops in the event of further advances by units of the then-internationally recognised government backed by Ankara, raised the risk of a military confrontation. When new gas reserves were discovered in the eastern Mediterranean, disputes broke out over the

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extent of the so-called Exclusive Economic Zone (EEZ). Manoeuvres by the countries' navies further heightened tensions.

And yet, to the surprise of many observers, towards the end of the year a gradual rapprochement between the governments took place. More intensive contact between their secret services had contributed to a détente in the Libyan conflict, with both countries supporting the UN negotiations launched in late 2020 to form a new unity government. In mid-March 2021, the Turkish leadership made an unequivocal concession: TV channels run by the Egyptian opposition in exile and headquartered in Istanbul were instructed to tone down their criticism of the al-Sisi regime. This paved the way for a two-day meeting of the countries' deputy foreign ministers in Cairo in early May.

Erdoğan in a Tight Spot

Erdoğan enthusiastically announced after the meeting that his country wanted to restore its "historic friendship" with Egypt and extend the dialogue that had been resumed. Yet this change in foreign policy is by no means voluntary. Turkey's confrontational foreign policy during the past decade, which has seen it use military means to enforce its interests, has reached its limits. The country is increasingly isolated within its regional environment. Relations with Saudi Arabia and the United Arab Emirates (UAE) are extremely tense, not least as a consequence of the Qatar blockade. With Egypt's support from June 2017 until January 2021, the two Gulf states had imposed a partial blockade on Qatar – Ankara's closest ally in the region. After Turkey came to Qatar's help, relations tangibly worsened. Most recently, Saudi Arabia imposed an informal boycott on Turkish products and declared in late April that it would be closing eight Turkish schools. While Ankara has been able to improve relations with Riyadh somewhat during the past few months, vis-à-vis the UAE signs are still pointing to confronta-

tion. A Turkish mafia boss, who has been leaking information about the alleged links between politics and organised crime, is said to have found refuge in Dubai of all places.

In the eastern Mediterranean, Ankara is faced with an energy alliance formed by Egypt, Greece, the Republic of Cyprus, and Israel, who founded the East Mediterranean Gas Forum with the support of other littoral states. This means that Ankara is now also at a disadvantage in its decades-old conflict with Athens and Nicosia over sea borders. In a quid pro quo, Turkey signed an agreement with the Tripoli-based Libyan government in November 2019 that adjusted the sea borders of both according to their own terms. The region's other states, however, do not recognise the agreement. And Turkey's alliance with Tripoli is no safe harbour. Whilst Ankara has been able to chalk up some successes through its military intervention in Libya, it is unlikely that military means alone will suffice to secure its long-term interests in the civil-war-torn country.

Erdoğan is also under pressure in the international arena. No fundamental readjustment in the US-Turkish relationship is expected as part of the change of government in Washington. US President Joe Biden made clear that he would not shy away from conflict with Ankara. This shift in policy is also reflected in the fact that Biden has officially recognised the Armenian genocide in the Ottoman Empire as such, a step his predecessors avoided out of consideration for Turkey. In addition, the US has already imposed sanctions on Ankara, following its purchase of the Russian air defence missile system S-400. The US judiciary is also investigating Turkey's state bank, Halkbank, which is accused of having breached sanctions against Iran.

These foreign-policy challenges carry even more weight for the Turkish government due to the country's precarious economic situation. The Corona pandemic has exacerbated structural problems in the Turkish economy and led to a further drop in the approval rates for the governing AKP. Erdoğan therefore hopes that the rapprochement with Egypt will create some leeway in

foreign policy as well as score points for him domestically. The move enables him to present himself to the new US administration as a reconciliation-oriented leader. The move could also weaken the alliance between Saudi Arabia, the UAE, and Egypt. In the eastern Mediterranean, the rapprochement with Cairo would help to both strengthen Ankara's position in its dispute over sea borders, and secure Turkey's long-term interests in Libya.

Does al-Sisi Have the Upper Hand?

Cairo is pursuing the rapprochement less ambitiously than Ankara. Egyptian government officials insist that, in order for relations to be normalised, Turkey first has to make concessions. However, this rhetoric should not hide the fact that the political leadership under President al-Sisi is also interested in improving its bilateral relations with Turkey.

Like Erdoğan, al-Sisi is under substantial pressure. His good relationship with the US under President Donald Trump — who referred to the Egyptian president as his “favourite dictator” — is now a heavy burden for a fresh start with President Biden. Al-Sisi's successful mediation in the recently re-escalated conflict between Israel and Hamas has in fact improved his reputation in Washington and pushed US criticism of the human rights situation into the background. Nevertheless, the US is by no means a reliable partner for Egypt, especially when it comes to surmounting the regional challenges facing the Egyptian regime. This is particularly evident in the Nile conflict, currently Cairo's greatest foreign-policy challenge. In this dispute with Ethiopia over water distribution, Egypt is clearly on the defensive, given the progress made in building the Grand Ethiopian Renaissance Dam (GERD). In contrast with his predecessor, President Biden does not support Egypt's position unilaterally, but maintains a balanced policy.

The Nile conflict also reveals a further foreign policy weakness, which might be

just as dangerous for Cairo as the reorientation of the US's Egypt policy: its cooling relations with Saudi Arabia and the UAE. Both Gulf countries have a neutral stance in the Nile conflict, even though they were previously seen as the most important allies of the al-Sisi regime. Since the start of the unsuccessful Qatar blockade, however, the triple alliance has become increasingly weak. There has been hardly any coordination on regional political crises such as the civil war in Syria or the Yemen conflict. Moreover, Cairo is extremely sceptical about the UAE's normalisation of relations with Israel. This approach could result not only in a loss of significance of Egypt's traditional mediating role in the Middle East conflict, but also in the construction of new pipelines and transport routes that could have the potential to reduce transport revenues from the Suez Canal, an important source of income for the Egyptian government.

Above all, in the past few years Riyadh and Abu Dhabi have contributed less and less to the financing of Egypt's severe budget deficits, which total billions of US dollars. The economic situation is the Achilles heel of the al-Sisi regime. Especially due to the impact of the Covid pandemic, Egypt will be forced to further rely on substantial external financial help in the coming years, if only to ensure that its growing population is provided with basic supplies. This plight combined with the absence of payments from the Gulf monarchies likely encouraged al-Sisi to “front-straightening” Egypt's foreign policy to gain more leverage in future negotiations with these two significant donors. Turkey is also an important export market for Egypt.

Not least, al-Sisi depends on an arrangement with Ankara in the Libyan conflict. Despite his threats, he has no genuine interest in sending ground troops into neighbouring Libya — unlike Turkey. Such an intervention would have unforeseeable consequences for the Egyptian armed forces. Whilst the armed forces are domestically more powerful than ever, it is hard to assess their true military capabilities. For instance,

they have so far failed to put down the violent insurgencies in the Sinai.

Opportunities for German and European Policymakers

Limits to the Rapprochement

Even though both sides have good reasons to pursue the rapprochement and resume diplomatic ties, a complete normalisation of Turkish-Egyptian relations should not be expected yet. Regarding Libya, for example, both sides seem interested in an arrangement. But it is unclear what this might look like. It is difficult to imagine any grand bargain. For Egypt a long-term Turkish military presence in Libya would be hard to accept. Conversely, a complete withdrawal of Turkish units would be an unlikely option for President Erdoğan. It is also unrealistic to expect Cairo to fundamentally change its alliance policy in the eastern Mediterranean in Ankara's favour. Greece, Cyprus, and Egypt will no doubt continue to expand their relations.

The main obstacle to a full normalisation of relations, however, is the ideological differences between the regimes. While President Erdoğan pursues the model of a "Turkish-Muslim religious nation", President al-Sisi's rule is totally orientated towards the military. The Egyptian military's assumption of power in 2013 was expressly directed against efforts to embed religious issues more strongly in the state. Since both leaders actively promote their respective ideology in the region – through Turkish support for Islamist opposition groups and Egyptian support for General Haftar in Libya and the Assad regime in Syria – the rapprochement between their countries has strict limits. It is also not to be expected that Turkey under President Erdoğan will lose its role as the hub of Egypt's opposition in exile – many of its leaders have even been given Turkish passports.

Despite its obvious limits, the rapprochement between Egypt and Turkey also brings opportunities, not only for the two regimes but also for Germany and its European partners. This development can, for instance, contribute to de-escalating the tense situation in the eastern Mediterranean. The objective here should be to use the occasion to integrate Turkey into regional formats. This would make processes to reach agreements, including over contentious border issues, easier to construct. A first concrete step could be to grant Turkey observer status in the East Mediterranean Gas Forum.

In Libya, both sides are necessary to preserve the fragile balance of power. Europeans should induce Egypt and Turkey to progressively restrict their activities in the country without disturbing this equilibrium. Each country should also be discouraged from using potential shifts in the power balance during the elections planned for December 2021 to force the other side out of Libya. Finally, Ankara and Cairo could play a part in driving back the influence of other external actors, such as Russia and the UAE.

Above all, Europeans need to be aware that behind the two regimes' rapprochement lies the fundamental fear that their room for manoeuvre in foreign policy might be curtailed or even lost entirely. Due to external factors and economic ones, Erdoğan and al-Sisi are equally dependent on readjusting bilateral relations, which had previously been predicated on confrontation. The timing is therefore right to encourage the two sides towards a political reassessment in other areas as well, such as the problematic human rights situation in both Egypt and Turkey.

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SWP
Stiftung Wissenschaft und Politik
German Institute for International and Security Affairs

Ludwigkirchplatz 3 – 4
10719 Berlin
Telephone +49 30 880 07-0
Fax +49 30 880 07-100
www.swp-berlin.org
swp@swp-berlin.org

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*Dr Hürcan Ash Aksoy is Deputy Head of the Centre for Applied Turkey Studies (CATS).
Dr Stephan Roll is Head of the Africa and Middle East Research Division at SWP.*

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