From Cold Peace to Collaboration? Egypt’s foreign policy behaviour towards Israel under Mubarak

Introduction

The ousting of Hosni Mubarak continues to have reverberations throughout the Middle East. A key characteristic of the former Egyptian President was his unwavering commitment to a peace agreement with Israel. In this context, Egyptian foreign policy towards Israel tends to be portrayed as rather monolithic: as cold peace.¹ This paper challenges this conventional view, arguing that Mubarak’s foreign policy evolved in three phases. Between 1981 and 1991 Egypt’s foreign policy stance could be described as one of cold peace, but between from 1991 and 2001, a new strand developed, namely, Egypt’s role as mediator. Following the collapse of the Oslo Process, eruption of the Palestinian Al-Aqsa Intifada, and the 9/11 attacks, Egypt oscillated between cold peace and mediation. However, from the mid 2000s, there was a clear trend towards collaboration. This paper tries to account for these developments and propose a preliminary framework to understand the changes and continuities in Egypt’s foreign policy under Mubarak, between 1981 and his ousting in February 2011.

¹ See, for instance, this portrayal in Fawaz Gerges, in Fawaz A. Gerges, ‘Egyptian-Israeli Relations turn Sour’, Foreign Affairs, May/June, 1995, pp. 69-78; Yaacov Bar-Simantov, Israel-Egypt Peace: Stable Peace? In Arie M. Kacowics, Stable Peace among Nations (Oxford: Roman & Littlefiled Publishers, 2000); A television series ran by Al-Jazeera, on the Israeli-Egyptian peace process was also named ‘cold peace’.
The era of cold peace

The first period of Egyptian foreign policy under Mubarak begins with his ascent to the presidency in 1981, following the assassination of Anwar Sadat, and continued until the Madrid Peace Conference in 1991. During this period Egypt’s foreign policy towards Israel was premised on the notion of a cold peace, of keeping intact the Camp David agreements whilst slowing the process of political, economic, social and cultural ‘normalization’ between Egypt and Israel.²

The normalization process was slowed from the outset. From the Egyptian perspective, as Abadi explains, it involved a series of issues: the failure of the autonomy talks with the Palestinians; Israel’s bombing of Iraq’s nuclear reactor in June 1981; the implementation of the Israeli law which allowed the annexation of the Golan Heights in 1981; the Israeli invasion of Lebanon and the subsequent massacre at Sabra and Shatila in 1982; the Israeli presence in south Lebanon; the expansion of Israeli settlements; the bombing of the PLO headquarters in Tunis; Israel’s method of suppressing the first Palestinian Intifada.³

The decision-making structure in Egypt is an important factor in explaining the consistency of Egypt’s foreign policy towards Israel between 1981 and 1991.

Mubarak followed former Egyptian presidents by basing his decision-making on three pillars. One of these was constituted by an intimate circle of decision makers appointed by Mubarak. To avoid any individual becoming too powerful, key officials close to Mubarak were replaced routinely. For example, Amru Mussa (currently running for the Egyptian presidency) served as Mubarak’s Minister of Foreign Affairs for ten years (1991-2001), until being nominated, with the support of the regime, for General Secretary of the Arab League. Another pillar was the top echelons in the Egyptian army. A third was the bureaucrats. Mubarak, who emerged into civilian political life from within the military, was well placed to dominate the interface between the three foundations of the regime: the military, presidentially-appointed politicians, and the bureaucrats. He embodied the consistency of the President’s authoritarian, military-based circle of decision makers which presided over Egyptian foreign policy from 1981 until Mubarak was ejected in February 2011. Thus, Mubarak’s foreign policy vision that peace with Israel and alliance with the US were strategic assets for Egypt, became instilled in Egyptian foreign policy.

However, it would be a mistake to assume that President Mubarak and his decision-making circle operated in a political vacuum. The Egyptian Parliament, a number of civil society groups demanding greater political pluralism, and organizations identified with the Egyptian right (Muslim Brotherhood), formed an opposition. On the stance towards Israel, this opposition was united in its

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unreserved and vociferous support for the Palestinians. However, it was unable to make significant inroads into Egypt’s foreign policy decision-making apparatus and, therefore, had a limited impact on Egypt’s foreign policy stance towards Israel. Thus, whilst the structure of the Egyptian decision-making circle accounts for the consistency of its foreign policy, it does not explain the cold peace stance adopted by Egypt towards Israel during 1981 to 1991.

To unpack this we need to examine the accompanying regional and international factors. A key aim of the Mubarak regime’s regional foreign policy was to negotiate a return to the Arab fold following Egypt’s excommunication after the signing of the Camp David agreement. To achieve this President Mubarak exploited the confluence of three developments. First, the concrete Iranian threat, that was felt by Iraq, Saudi-Arabia and the Gulf states during the Iran-Iraq War, in response to which Egypt offered to support Iraq and offer its broader solidarity with the Arab states, to demonstrate that it had not abandoned its pan-Arab commitments. Second, Egypt lent political support to certain countries facing specific threats, such as Jordan, which in the 1980s was caught between the Arab-Israeli conflict and the Iran-Iraq war. Third, the deepening conflicts within the revolutionary Arab Camp, e.g., the confrontations between Syria and Iraq during the Iran-Iraq war and between Syria and the PLO in 1983. The joint effect of these developments was to weaken the opposition that had built against Egypt following the signing of the Camp David accords. In order to exploit this effect fully, Egypt had to forego full rapprochement with Israel. Mubarak chose to prioritize the re-integration

of Egypt into the Arab world over deepening its ties with Israel. The result was the agreement of the Arab League, in 1987, to individual member states reformulating their relations with Egypt; by 1989 Egypt was fully re-integrated into the Arab fold and the Arab League was re-instated in Cairo.\(^6\)

At the same time, changes in Egypt’s foreign policy environment meant that it could not distance itself completely from the Camp David agreements nor abrogate them. They included a strategic alliance between the US and Egypt, which made Egypt one of the two (together with Israel) main beneficiaries of US foreign aid. Egypt’s debt levels made this crucially important. Also, the US was providing Egypt with the best modern military equipment, and was helping to develop the military industries in Egypt based on US technology. The deepening relations with the US and the accompanying benefits, were contingent upon maintaining the peace agreement with Israel.\(^7\)

The peace agreement-US alliance nexus mattered also for the Egyptian economy. In signing the peace agreement with Israel, Egypt immediately lost $1.6 billion of aid from the Arab world. Although this loss was offset by US economic aid, there was a significant shortfall in the Egyptian economy. The available sources of capital for Egypt to address this shortfall were external: levies coming from the Suez Canal, tourism, food subsidies, foreign aid and remittances. The first three were linked inextricably to the geopolitical environment with Israel remaining peaceful. Arguably, therefore, the alliance


with the US and the peace dividends created a material vested interest that tied Egypt even tighter to the Camp David accords, offsetting the political price they exacted from Egypt.

The rise of Egypt as mediator (1991-2001)

The second period began with the end of the Cold War and lasted until the 9/11 attacks on the US. In some respects, Egypt’s foreign policy towards Israel remained unchanged: normalization virtually stalled and the cold peace continued. However, a new element emerged in the form of Egypt’s role as mediator between Israel and the Palestinians. Of course, its role was secondary to that of the US, but since its reintegration into the Arab fold its support, or lack thereof, was important in terms of endowing legitimacy on Arab-Israeli negotiations. Thus, Egypt was key to the formation of the 1991 Madrid conference and the later interim agreements forged between Israel and the Palestinians, the second of which, fittingly, was signed in Cairo in 1994. Egypt sought to remain central to the negotiations but distanced itself following the rise of Binyamin Netanyahu. During the failed Camp David summit of 2000, Egypt was left on the diplomatic sidelines.

The rise of Egypt as a second (to the US) mediator in the Arab-Israeli conflict, cannot be explained in terms of changes to the decision-making structure. The civil-military authoritarian foreign policy elite and the decision-making process dominated by the President, remained intact. The Egyptian opposition

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8 Abadi, ‘Egypt’s Policy towards Israel, pp. 171-173.
continued to be unable to break through into the decision-making apparatus and shift Egyptian foreign policy.

However, in the regional dynamics, change was visible. By 1991 Egypt’s return to the Arab fold was total as was its resumption of its erstwhile pivotal position. As already mentioned, Israel and the PLO signed a series of interim agreements (1993, 1994, and 1995) and in 1994 Israel and Jordan concluded a full peace accord.10 These developments lessened the pressure on Egypt to distance itself from Israel. Concurrently, the US emerged from the Cold War as the sole superpower making a stronger alliance with the US an even greater priority for Egypt. Indicatively, Egypt joined the US-led coalition to evict Iraq from Kuwait, following the 1990 invasion.

Economic developments were also important. Since 1990, under pressure from the International Monetary Fund, the Egyptian economy had embarked on process of economic restructuring, tilting the balance even more towards reliance on external sources of capital11, which, in turn, strengthened the economic vested interest in maintaining the peace process and the alliance with the US. Nevertheless, domestic opposition to Israel in the context of the Israeli Palestinian conflict persisted. Unreserved support for the Palestinians could not be ignored by the regime in Egypt, especially from the mid 1990s when the Oslo Peace Process began to unravel. Under these circumstances, Egypt’s rise as a mediator can be explained as demonstrating a foreign policy

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stance aimed at reconciling the contradictory effects of domestic and external factors.

**From mediation to collaboration?**

The third phase in Egyptian foreign policy is seen as starting after the collapse of the Camp David summit, the eruption of the second Intifada, and the 9/11 attacks. The confluence of these developments changed the foreign policy environment; the peace process focus shifted to attention directed towards a two tiered confrontation. At the regional level, the Israeli-Palestinian conflict during the second Intifada replaced the negotiation framework, which, with all its difficulties, had dominated the 1990s. At the global level, the US-led global war on terror meant that the US demanded from its allies a zero tolerance approach towards terrorism.

Throughout the first half of the 2000s Egypt retained the key tenets of the cold peace approach towards Israel and continued to stall normalization. As a result of the eruption of the second Intifada, Egypt became increasingly critical, in its public statements and diplomacy, of Israel and the US. For instance, when the Intifada broke Egypt demanded a committee of enquiry be established, and that an international court should investigate and bring to trial Israeli ‘war criminals’, and in November 2000 recalled its ambassador to Israel. Two years later, in response to Israel’s operation Defensive Shield which culminated in the re-occupation of key cities in the West Bank, Egypt took other similar measures including condemnation of US support for Israel, a call for

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12 Al Ahram, 5 and 20 October.
international troops to be deployed to defend the Palestinian people, and
denunciation of Israeli ‘war crimes’.\textsuperscript{13} It cut government relations with Israel
except those the regime deemed as ‘serving the Palestinian people’\textsuperscript{14}.

However, it did not abandon its efforts to act, or appear to act, as a mediator,
for instance, during the Sharm El-Sheik Summit (October 2000).\textsuperscript{15} Although this
summit did not yield palpable results on the ground, even former US President
Bill Clinton, not usually quick to bestow praise on Hosni Mubarak, highlighted
Egypt’s efforts to seal an agreement that would halt the violence.\textsuperscript{16} In the Arab
summit convened on 21 October 2000, Egypt strived for the adoption of a
moderate pan-Arab stance, with the consequence that, the only practical
decision taken there was to establish a $1 billion fund for the Palestinian
Intifada. Calls to engage in armed conflict with Israel, e.g., the demands
being made by Iraq’s Saddam Hussein, were rejected.\textsuperscript{17} The Egyptian establishment
expressed satisfaction with the balanced outcome.\textsuperscript{18}

On Ariel Sharon’s election to Israeli Prime Minister in February 2001, Egypt’s
reaction was measured. The President’s Palace, Foreign Minister Mussa, and
Special Presidential Advisor Usama al-Baz, issued declarations that Egypt would
devise its policy in response to the measures taken by the newly elected Prime
Minister of Israel.\textsuperscript{19} Although in subsequent months Egypt resorted, again, to

\textsuperscript{14} \textit{Al-Ahram}, 4 April 2002.
\textsuperscript{15} See Noema and Ginat, pp. 38-
\textsuperscript{17} \textit{Al-Ahram}, , 21 and 23 October 2000.
\textsuperscript{18} ‘Qimmat Al-Qahirah...bayan Mutawazin,’ \textit{Al Ahram}, 23 October 2000; ‘Tanfidh qararat al-qimma, \textit{Al Ahram},
\textsuperscript{19} Al Ahram, 8, 9, February 2001.
severely criticizing Israel’s use of force, it did not abandon its mediat
er position. In March 2002, Egypt launched a joint initiative with Jordan, aimed at
ending the Israeli-Palestinian conflict. This initiative, which echoed the US-
ponsored Michelle report, called for an end to the terror attacks, revival of
the security coordination, and resumption of final status negotiations between
Israel and the Palestinians.\(^\text{20}\) Egypt was an ardent supporter of the Arab Peace
Initiative launched by Saudi Arabia and endorsed first by the Arab League at
the 2002 Beirut Summit, and George W. Bush’s roadmap for peace, published
in 2003. From then on, Egypt acted as a mediator in internal Palestinian affairs,
e.g., establishment of the Abu-Mazen government in May 2003.\(^\text{21}\)

From June 2004, a new strand of Egyptian foreign policy towards Israel
emerged, one of collaboration. Accordingly, on 5 December 2004, an Israeli
citizen, Azam Azam, who was accused of being a spy, was released from prison
in Egypt. About a fortnight later, Israel and Egypt signed a Qualifying Industrial
Zone (QIZ) agreement, which gave access to the US market for goods with
Israeli input produced in industrial zones in Egypt.\(^\text{22}\) Collaboration was
strengthened by the signing between Israel and Egypt of a long-term gas treaty
on 30 June 2005 However, the pinnacle of Israeli-Egyptian collaboration was
security, evidenced by Egypt’s responsibility for maintaining security in the
area between the Sinai Peninsula and the Gaza Strip, when the Sharon-led
government carried out a unilateral withdrawal from the Gaza Strip in August

\(^{20}\) For the text of the joint proposal see Al-Arabi, 22 April, 2002.
\(^{21}\) See speech by Hosni Mubarak quoted in Al-Ahram, 1 May 2003.
2005. Egypt deployed National Guard soldiers along the Egyptian side of the Philadelphi corridor, on the sections parallel with the Gaza Strip.  

From that point on, cooperation over security was consolidated and included political collaboration. For instance, Egypt supported Israel during the 2006 War with Hezbollah. Egypt also was a junior but indispensible partner in the blockade of the Gaza Strip. This partnership was maintained, even during operation Cast Lead when Egypt pressed Hamas to accept a cease fire although Hamas had achieved no political or military gains as a result of the conflict. Despite the huge destruction inflicted by Israel on the Gaza Strip, the Israeli-Egyptian blockade was maintained, and there were no prisoners swapped as part of the deal to end hostilities.

The consistency of Egyptian foreign policy in addition to the trend towards greater collaboration with Israel from 2005, exacerbated the tensions between Hosni Mubarak’s regime and the opposition. Key figures from the Islamist, Nasserite and Marxist parties, and even the Egyptian Mufti, Dr Nasr Farid Wasil, criticized Egypt’s response to the visit of the then leader of the Israeli opposition, Ariel Sharon, to the Al-Aqsa Mosque, and the ensuing Israeli-Palestinian violence. During the first four months of the Palestinian Intifada Egypt witnessed unprecedented and widespread demonstrations in

universities and schools. Opposition parties demanded the Israeli ambassador to Cairo be expelled and some even demanded that the peace agreement with Israel be frozen. Similarly, and in contrast to the ambiguous reactions to the election of Ariel Sharon by the official Egyptian establishment, opposition groups denounced the new Israeli Prime Minister as a ‘war criminal’. Even the issue of suicide bombers caused a seeming gulf between the regime and the opposition. Following the 9/11 attacks in particular, the regime gradually became more condemnatory of such attacks, while the opposition expressed some tolerance of the phenomenon and in some cases, e.g., columnist Abd al-Halim Qandil, embraced it. The opposition also criticized Egyptian involvement, together with Saudi Arabia, in the launching of the Arab Peace Initiative. The disagreement between the regime and the opposition was more than academic. On two occasions, in particular, operation Defensive Shield (2002) and the assassination by Israel of Hamas leader Sheik Ahmad Yassin (2004), the opposition staged huge demonstrations against the regime.

So what can the growing rapprochement between the Mubarak regime and Israel after 2004 be attributed to? The change can be explained at several levels. First, the US Global War on Terror together with Arafat’s reluctance to accept the US’s zero tolerance policy towards terrorism, presented the Mubarak regime with a dilemma. Should it side with the domestic opposition

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26 Ginat and Noema, p. 41.  
29 See Al Ahram, 21 and 22 October 2001; Al Arabi, 3 February, 2002; and Abdallah Sinawi’s article, al-Arabi, , 10 March 2002.  
31 On demonstrations following the assassination of Yassin see, Ak Ahali, 28 March, 2004.
against the US and Israel, or the imperative of a continued alliance with the US? Up to 2004 Egyptian foreign policy oscillated between the two poles. However, Arafat’s demise and the election of Abu-Mazen to Palestinian President resolved this dilemma for the Egyptian regime. From the early stages of the Intifada, Abu-Mazen rejected terrorism and violence, arguing that they could bring nothing but trouble to the Palestinians.\textsuperscript{32} Since the elections were declared free and fair it seemed that the majority of the Palestinians endorsed this position and, therefore, Egypt could also.

Second, throughout his presidency, Mubarak was extremely concerned with the foreign policy-economy nexus. Thus, before his April 2001 visit to Washington numerous editorials published in regime’s mouthpiece newspapers, stressed the importance of joint economic projects with the US. Most crucially, establishing a free-trade zone between the countries and increasing Egypt’s exports to the American market to a value of £3 billion annually.\textsuperscript{33} The President stated that establishing a free-trade agreement was one of the main objectives of his visit, especially in light of the formidable role played by the US in building up Egypt in the recent decades.\textsuperscript{34} Mubarak continued using the economic argument in several contexts. For instance, during an interview held during the Israeli offensive Defensive Shield, Mubarak was very clear about what a response to calls to try to ‘liberate Palestine’, e.g., the declarations made by Hassan Nasserallah, Secretary General of Hezbollah, would entail:

\textsuperscript{32} He expressed these views clearly in an interview he gave to Al-Ahram weekly on the second anniversary of the Al-Aqsa Intifada.
\textsuperscript{34} Al-Ahram, 23 March 2001.
The interruption of the traffic in the Suez Canal will cost between two to three billion dollars...and to that another billion or so for weapons and supplied had to be added, in addition to several billions in losses due to the disruption of tourism, and a few billions due to a decline in exports.\textsuperscript{35}

The signing of the Qualifying Industrial Zones agreement and the agreement to supply gas to Israeli reflected the increased importance of the economic imperative on Egypt’s position as collaborator with Israel; the greater its level of collaboration with Israel, the greater the rewards for the regime and the state, though not the wider Egyptian society. These developments coincided with a subtle, but extremely significant change in the composition of the Egypt’s decision-making circle. Since 2000, restructuring of the Egyptian economy had facilitated the rise of a crony capitalist class, embodied by Mubarak’s son, Gamal.\textsuperscript{36} This segment of society, together with the military, which also had various vested interests in the economy, benefited from the profits that accrued to the regime and the state. From this perspective, it is clear that the two main components of the decision-making circle (in addition to the President), had a material vested interest in advancing collaboration with Israel. What they did not foresee, was the degree to which this would begin to erode their legitimacy and constitute an important factor in the final downfall of the Mubarak regime.

\textsuperscript{35} Quoted in Noema and Ginat, pp. 70-71.
Conclusion

This paper has demonstrated that Egyptian foreign policy under Mubarak falls into three periods: cold peace (1981-1991), cold peace and mediation (1991-2001), oscillation between cold peace, mediation, and collaboration (2001-2011). There are two factors that are consistent in accounting for Egypt’s tendency to opt for its cold peace approach. Inter-Arab relations, especially whilst Egypt was making efforts to reintegrate into the Arab fold, and domestic opposition to Israel. At the same time, there were two factors that increasingly tied Israel to the peace process: the dynamics of the Egyptian-US alliance and the imperative of the faltering Egyptian economy, especially given its dependence on external sources of capital. The Egyptian decision-making circle, dominated by the President, jostled Egypt among these three positions of cold peace, mediation and collaboration. Towards the end of the Mubarak regime the rise of a new element, the class of crony capitalists, pushed Egypt towards even stronger collaboration with Israel. However, as the regime strengthened its foundations, including the position of the military, it was also fuelling opposition towards it. Through its authority over dire economic conditions, its exercise of harsh repression, and its pursuit of extremely illegitimate foreign policy towards Israel, the Mubarak regime dug its own grave.