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Turkey's Policy towards Egypt and Its Deepening Isolation in the East Mediterranean

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In denouncing the current Egyptian government, Turkey has become further isolated in the regional arena, especially after Qatar started shifting its position on Egypt towards one more favourable. Combined with previous diplomatic failures involving key players in the region, Turkey's isolation risks damaging its national interests, notably in its energy and maritime zone disputes with Cyprus. This creates potential for future instability in the East Mediterranean, and it is in EU's long-term interest to support Turkey's political actors in finding a common way to lessen the country's isolation.

Turkey's Misguided Policy towards Egypt. The ousting of Egypt's President Mohamed Morsi by the army in the aftermath of popular protests in July 2013 provoked strong reactions from Turkey. Initially, all political parties in Turkey condemned the coup, due to their country's own long and painful memory of similar events. However, President Recep Tayyip Erdoğan, then prime minister, has continued to denounce the new government with strongly worded criticism.

The official explanation for this criticism is Turkey's support for the well-being of the Egyptian people who face oppression and execution by Egypt's authoritarian rulers. However, in practice this support is biased and limited to the Muslim Brotherhood (MB) members and its supporters. Indeed, Turkey's attitude towards Egypt, beyond its pro-democracy rhetoric, is a result of a misguided policy that follows the political Islamist position of Turkey's ruling Justice and Development Party (AKP), rather than the country's national interests.

Turkey's policy toward Egypt has also been influenced by domestic politics, as Erdoğan used the Egyptian coup to condemn Turkey's Gezi protests in May 2013, two months before popular protests in Egypt, alleging an international plot against his rule to justify his violent repression of the protestors. The Turkish president still makes use of the Egyptian coup to consolidate the conservative electorate, suggesting the possibility of a similar scenario in Turkey should the AKP lose power. Furthermore, the AKP still aims to re-establish its regional soft power through the emergence of political Islamists and denouncing Cairo is among several demonstrations of its continuing support for these groups in the region.

During Morsi's presidency (2012–2013), Turkey's relations with Cairo were shaped by close political leadership circles, bypassing the more traditional bureaucracy of foreign policy making. However, their initiatives were more often ideological rather than realistic. Ankara has thus failed to achieve its aims, and has instead contributed to the isolation of the MB that led to their ousting. Morsi failed to live up to the promises he had given prior to the second round of the presidential elections, allegedly also due to advice from the AKP, and refused to share power. The Turkish government was also worried about its investments and trade relations, not least the \$1 billion loan granted to Egypt prior to the coup.

However, there is economic potential for mending the ties. While Ankara continues its criticism, another \$1 billion from Turkey's Eximbank is still available, to provide a credit line to support the import of Turkish products and to implement projects in Egypt in partnership with Turkish companies. On the other hand, while there have been recent attempts from within the AKP government to rebuild ties with Egypt, these continue to be hindered by Erdoğan. A recent attempt to spark dialogue between the two foreign ministers at the UN General Assembly in October failed after Erdoğan's strong criticism of the Egyptian government.

Egypt's Response to Turkey. Erdoğan's strongly-worded criticism of the Egyptian government received a response in kind from Egypt, using harsh language rarely seen in Turkey's diplomatic history. In addition, Egypt has lowered its diplomatic relations and re-established visa requirements for Turkish citizens. It has cancelled planned joint naval exercises and projects to build a common defence industry. Turkey's image among Egyptians has also deteriorated. Egypt accuse Turkey of attempting to influence the former's national identity by supporting the MB and of being a destabilising factor in the Middle East by engaging in proxy wars in Syria, Libya and the Sinai.

In economic terms, however, the political tensions have had limited effects. Indeed, Egypt claims that taking economic measures in response to Turkey's attitude, and threats not to renew the comprehensive free trade agreement (which will expire in April 2015) and the transit-trade agreement that facilitates the export of Turkish goods to Gulf and African nations through Egypt's mainland instead of the Suez Canal, are more time consuming and expensive options. Yet Turks believe the claims may in fact be an attempt to negotiate better terms. Trade relations between Turkey and Egypt are strong on both sides, with a total trade volume of around \$5 billion. Egypt is Turkey's 12th biggest importer (about \$3.8 billion a year), and Turkey is Egypt's 5th biggest market, with imports reaching nearly \$1 billion. Between 2012 and 2013, Turkish exports to Egypt decreased by 13% to \$3.2 billion. However, given Egypt's economic vulnerabilities and the size of its GDP, the potential effect of cancelling an FTA would have the greatest significance for Egypt. In addition, trade provides a healthier option for the Egyptian economy than its continuing reliance on external financial support.

Deepening Isolation in the East Mediterranean. Ankara's strong criticism of the Egyptian government damages Turkey's interests on a much larger scale in the multilateral arena. Severing ties with Egypt has only further damaged Turkey's already ineffective foreign policy, labelled as "precious loneliness" by the Turkish government. Indeed, Turkey's capacity to manoeuvre on the East Mediterranean diplomatic chessboard has already been disabled. The Arab world perceives Ankara's moves as efforts to intervene in their internal affairs. Turkey's assets have, for Western partners, also diminished. In turn, after gaining support from the Gulf States and Russia, and acceptance from the West, and recently from Qatar, Egypt has little reason to worry about Turkey.

Moreover, Turkey's loneliness increasingly complicates its national interests, as it risks being sidelined by all regional players. The stalemate between Turkey and Israel had already pushed Israel to consider Cyprus as an alternative route for exporting its energy resources to Europe. Indeed, Turkey provides the cheapest route, and such a choice would be politically feasible for, despite the tensions, Turkey's oil exports to Israel (which make up 90% of the latter's needs) have not been interrupted. However, the continuing stalemate has seen the emergence of other alternatives. Egypt is already in talks with the American Noble energy company, operating Israel's gas fields, to import Israeli gas to address both its own energy needs and to liquefy gas in Egypt's two liquefaction plants to export to Europe. This all coincides with the Cairo declaration by Greece, Cyprus and Egypt, following the Tripartite Summit Conference held on 8 November. The declaration that launched regional cooperation might result in these nations' agreement on Exclusive Economic Zones (EEZ) and an energy alliance between Cyprus, Israel and Egypt.

This regional cooperation is indeed not new, and such cooperation is still dependent on many factors. Moreover, Egypt and Israel would still be cautious in order not to damage ties with Turkey completely. However, despite many factors in Turkey's advantage (its geographic position, economic and diplomatic potential), an isolated Turkey risks losing its diplomatic tools in its efforts to set boundaries on gas deposits and its claims in the EEZ that overlap with Cyprus.

The EU Perspective. Turkey's policy towards Egypt is the result of excessive centralisation of power, and of ideological positions. Unless Turkey moves to repair its ties with Egypt and Israel, it risks losing key strategic interests, in particular with regards to its ambitions to transport hydrocarbon resources and in the conflicting issue of the EEZ's around the Cyprus question. For the EU, this means a risk of potential instability in the East Mediterranean. The Turkish navy has recently received new rules of engagement to deal with increasing tensions over energy exploration in the area.

However, Turkey's leaders have diverging tendencies with regards to their foreign policy. While the president favours maintaining the status quo, the government shows an interest in rebuilding Turkey's ties in the region. The EU could strengthen this more compromise-oriented stream in Turkish politics by invoking EU negotiation chapters 23 and 24, dealing with the judiciary and fundamental rights, and justice, freedom and security. In this way, the EU could achieve a broader set of goals, such as propping up pro-European and democratic forces in Turkey and convincing Ankara to adopt a more accommodating foreign policy. Another measure could be additional incentives for enhancing cooperation with the Southern EU Member States, in order to invest in the stability of the region.

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