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Middle East and North Africa Programme Workshop Summary

Egypt's Regional Role

September 2009

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INTRODUCTION

Egypt is often mentioned in the context of decline, the once-great hope of the Arab world now reduced to a waning influence as the Gulf and Levantine countries dominate regional affairs. Yet the country could have great influence, not only in terms of its economic and geographical position, but also because any political changes within its borders will undoubtedly affect those nearby. How these are managed will be crucial, but could potentially lead to greater cooperation and success in the handling of many of the contemporary problems the wider region faces.

Egypt also holds a pivotal role through its relationship with the EU and as an ally of the United States, but its foreign policy relies on maintaining the status quo. A lack of influence in this arena is clear, whether in resolving the Israeli-Palestinian conflict, in containing Iran, in counter-terrorism, or in combating piracy. The key issue now is to redefine its strategic vision and recapture its past status.

The following notes summarise a workshop held at the British Embassy in Cairo in September 2009, organised as part of the Chatham House and British Embassy project to celebrate 25 years of the Chevening Programme. The meeting was held under the Chatham House Rule and the views expressed are those of the participants. At best, these notes serve as an *aide memoire* to those who took part, and look to provide a general summary of discussions for those who did not.

The workshop was divided into two sessions. The first session examined Egypt's role in the Middle East Peace Process. Participants looked at the renewed interest shown by the Obama administration in MEPP; the prospects for Egypt facilitating intra-Palestinian reconciliation in the near future; and the implementation of the regional aspects if an agreement for a two-state solution is reached.

The second session addressed Egypt's role and influence in the wider region. What is Egypt's real weight today? What potential does it have? It also looked at the potential for reigniting Maghrebi integration dynamics, the US-led Maghreb-Sahel security system and Iran and Sudan.

This workshop took place under the Chatham House Rule:

"When a meeting, or part thereof, is held under the Chatham House Rule, participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed".

SESSION 1: EGYPT'S ROLE IN THE MIDDLE EAST PEACE PROCESS

The Middle East Peace Process (MEPP)

The discussion began by noting that the Peace Process is currently almost at a standstill. Barack Obama's accession to Presidency, however, offers a new and real opportunity: President Obama has brought a new wave of optimism that has been welcomed heartily in the Middle East and Egypt in particular. The region should take advantage of this and help Obama gain more support from the American people for an unbiased solution to the MEPP.

The region needs to prepare for the idea collectively that in two years time, there will be a Palestinian state. International missions will be there to help implement a decision/agreement. Tony Blair has highlighted a loss of patience with incrementalism. The region should focus on the implementation of small elements that will rapidly change the context and the environment. The alternatives are defeatist and the consequences are enormous.

The idea that there might be a new Security Council Resolution taking advantage of new US administration arose in the discussion as something that could spell out explicitly the terms of the peace. However, it was noted that an attempt to get such a resolution would likely fail, and would be counterproductive to the peace process as a whole.

Regional Aspects of the MEPP

If a Palestinian state is established within the 1967 borders, if the problems of mutual security are solved, and if the Lebanon and Syria problems are solved, then regional countries can be expected to try and maintain this peace. The role of Egypt is very important.

Egypt supports all efforts to reach a peaceful agreement, and we want to cooperate with the West provided it is towards a viable peace agreement – a comprehensive peace solution. It can only be sustainable in an atmosphere of generalised peace.

There are objections to calling Egypt a mediator. A mediator is a person in the middle, an objective actor, whereas Egypt stands with the Palestinians. In the peace process, Egypt's role is as mediator between the two Palestinian parties. Khalid Michal is here in Cairo to face the next stage of the negotiations and Hamas and Fatah will sit down together in a meeting hosted by the Egyptian government. There appears to be more optimism around, they will work together on organising the next election.

The second role Egypt plays is a key role in the Arab Peace Agreement, as a senior member of the Arab League. The critical problem for the Israelis is that it requires them to act first. Israel must retreat to 1967 borders.

Part of the Arab Peace Initiative is to entrust Egypt and Jordan to sell the Arab Peace Process to the Israeli people. Is now a good time, given the current government? How do you go about selling the Initiative – a very balanced document – to the Israeli public? The new J Street Lobby in the US should also be taken advantage of. Arab states should make it clear that the Initiative is trying to bring about conditions that conform to international law - we must continue to have faith in the importance of international law.

Problem-solving: Settlements and Israeli Relationships

Settlements should be looked at as a symptom rather than a cause. The settlement building is the prolongation of a tactic rather than a strategy – prolonging the opportunity of the establishment of a Palestinian state. The international community needs to unpick this, and ask the Israelis what their long-term strategy is. Will they continue to build in West Bank and thus render the building of a Palestinian state null and void? They say they do not want a one-state solution, but if they continue to build settlements, what are the other options? Will we just see enclaves of a Palestinian state? This is clearly not a viable solution. We need to ask more questions of the Israeli side, the tactics are clearly not fulfilling their strategy. We need to understand this strategy, which is undermining the outcome.

The international community should emphasise that settlement building is illegal, but we shouldn't concentrate on this only.

Israeli-Egyptian relations resemble a cold peace that sometimes turns into a cold war. There are certainly very serious disagreements, but at the same time there is the determination to keep the peace.

A Two-State Solution?

The 1967 boundaries should be the basis of any negotiations, and are a good basis for a solution. What is needed is implementation. The J Street group is a great thing; it is part of a new wave of people who now realise that the two-state solution is now needed - perhaps more so - by the Israelis.

The region and the international community should push the Israelis to think about what the strategy will be for the next 20 to 30 years. We need to turn the whole thing on its head, act as if a Palestinian state will be a reality in two,

three or five years and put our collective funding and support into that. The emphasis on 100% security is delaying and unrealistic, a red-herring policy. A solution is in the best interest of Israel, we need to recondition Israeli public opinion into understanding this.

Salam Fayad's idea is that Palestinian could declare independence in two years – how might Egypt and other Arab states react to this? What would be the Egyptian reaction to a unilateral Palestinian independence?

From an Egyptian perspective, it would certainly be better to declare independence based on an agreement. We are looking for something that is real. There have been many declarations of a Palestinian state already. The EU and the US will help us in trying to ascertain that a real viable Palestinian state is established.

The Role of Europe

What can be done in terms of EU Foreign Policy to back up the amounts of money that is being poured into Palestinian Authority? What practical steps can be taken?

The EU role is very important; the region believes that the EU is eager to help. The more the EU pays the more they will have to be active to change the situation. They understand how difficult the situation will continue to be until there is a settlement.

SESSION 2: WHY EGYPT MATTERS IN THE WIDER REGION

It was discussed that this session would focus less on Egypt's current role, and more on its potential role. People often talk about Egypt in the context of decline, and it is easy to paint a picture of sad descent. In the 1950s Egypt had the biggest economy, an educated elite, a cinema industry. Now it is the Gulf and Levantine world that dominates. In terms of hard power, the fall is even more dramatic. Egypt was once the great hope of the Arab world but in most people's minds it has disappointed.

Yet Egypt still has a great deal of potential influence. Egypt has the largest population, it is geopolitically stable (its borders have a long history), it has a fast growing economy and the biggest market for many goods, and it is an important source of talent. Crucially, Egypt is also at a point of political transition.

Also, regardless of how we judge the decline of Egypt's role, it can be argued that this is a country, perhaps the only country in the Middle East, in which changes in either direction are likely to spill over into other countries. The rise of the Muslim Brotherhood, for example, had a knock-on effect on the rest of the region, the magnitude of which could not be matched by any other country.

Possible Scenarios for Change

Scenario One: What if the Egyptian economy grows very strongly, with a stable political transition to a participatory democracy? The next Mexico or Turkey? What would the impact be upon the rest of the region? What influence would a strong democracy have on Egyptian neighbours, such as Libya and Sudan?

Scenario Two: The fall of the current regime, replaced by some form of Islamism, framed within a very narrow form of democracy under Islamic law. Or something more radical, similar to Iran. This would have a tremendous impact on the region and give a boost to the 'resistance' front. For Egypt to jump camps would have tremendous reverberations, successful in some eyes in ridding it of western interference. But that would come with great risk and expense.

Scenario Three: Failed succession followed by the failure of an Islamist imposition, leading to military intervention. What impact would there be on the wider region? Players in alliances?

One point that is often neglected in discussions is the potential for Egypt and other states to collapse and to 'send off' all sorts of terrorists. If we collapse we could bring the whole house down and Arab regimes are very aware of this. Why is Egypt not part of a trans-counterterrorism partnership? This could contribute to the Sahel region, and could be positive participation.

It is also very important when thinking about Egypt's regional role to consider the fact that a new world is being created as we speak. Obama's election is historic, and comes at a crucial and transformative juncture. The new world also brings with it multi-polarity and multilateralism – the world of American pre-eminence is coming to an end. China, Brazil etc., are becoming major players. The EU and America have stopped talking about human rights in China, and no-one is willing to apply pressure.

Egypt's Role in the Region & a 'three plus two' Alliance

Egypt is the only country that does not belong to a sub-region (i.e. not Maghreb, Gulf State) – is this one of the reasons for its centrality? Everyone can relate to Egypt in some way or another.

One possible context for Egypt's regional role today would be to have what we might call a 'three plus two' alliance in the region. The three being Egypt, Saudi Arabia and Syria, and the two, Iran and Turkey. When these are together, this is the best condition for solidarity – together they hold enormous cards *vis-a-vis* the rest of the world. Sole regional leadership is not an option. We cannot turn back the clock - not only are there other players who have influence and capability of influence, you can no longer define the region as 'Arab'. Turkey and Iran are integral within the Arab world.

A 'three plus two' alliance:

- Could ensure a trouble-free withdrawal from Iraq, and a unified Iraq that will not disintegrate;
- Could offer help to President Obama and NATO to extricate from the quagmire of Afghanistan;
- Could get Hamas and the Palestinian Authority sitting together and forming a unity government;
- Could ensure that Lebanon has a stable government, not held hostage by Hizbullah;

- Would be well suited to helping the fight against Al Qaeda.

The Maghreb and Regional Integration

Regional integration will not come in our lifetime, and even then, it will be between like-minded, rather than geographical partners, and those who have a similarity of social structures and political dynamics, such as the other Maghreb countries.

The lack of Egyptian influence in the Maghreb, however, is very clear, particularly in terms of public awareness. The biggest phone company is Orascom, but no-one knows it is Egyptian. Intra-Maghreb trade is around 1.3%. What would it mean for the region to be integrated - genuine integration - that includes Egypt? The level of trade that would grow, etc., is a very positive scenario particularly because of the wealth of energy. However, a major obstacle is the conflict in Western Sahara. How could Egypt play a role in finding or contributing to a resolution to that conflict, to open up the region?

Egyptian Foreign Policy and Security

Egypt is weaker than it should and could be. Foreign policy is piecemeal, haphazard, maintaining the status quo. There's no real strategic vision for Israel, Sudan etc.

What are the institutions behind policy decisions? Intelligence? The Ministry of Foreign Affairs? This might help to answer the question of what are Egypt's strategic interests and how to achieve them.

Foreign policy in Egypt has moved more towards security and the Presidential establishment, away from the Foreign Ministry. The military runs the relationship with the US. There is very little outside input into policy-making – this is one of the reasons behind sterile policy-making. American diplomats have complained that they like to listen to Egyptian concerns, but don't get many ideas. There is a talent gap.

There is also a need to look at regional involvement from a security perspective – in the North, Israel/Palestine, in the South – the Nile etc. How will North Africa help in national security priorities?

Egypt loses money through piracy in Somalia, the war in the Maghreb, and Sudan etc. The Egyptian army is not present in these areas, yet it is one of the largest in the region. Why is it not protecting interests so close by? Why is it not involved in pressing local issues?

The time for strategic vision is now, thinking beyond the immediate definition of national interest. The major point is how Egypt is going to rearticulate a policy that would position it as a key actor, recapture the role it had in the past. Overall, there is a lack of positive ideas and responses, for example on piracy, regardless of interests. We have to localise Egyptian foreign policy and its effectiveness within the broader picture of the region, and to make a distinction between it and domestic policy.

The US, the EU and the UK

The relationship between Egypt and the US is one of the things that is not always accurately analysed. The US is very important to Egypt but Egypt has not been reduced to lackey. Resisting the increasing Iranian influence in the region is at the heart of Egypt's national interest – not because of the Americans; it is our national interest not to allow a revisionist power to become a hegemonic power in the region. Opportunity for restoration of the 'good old days' of relations with this administration would encourage Egypt to be more proactive regionally and more outgoing in terms of domestic reform. There are sections of the ruling elite that are more than happy to take risks.

Egypt holds an important role as a pillar of American policy in the region, as a moderate camp. This is pivotal: without moderate players US policy would collapse. But Egypt has lost its soft persuasive power to play that role. It is crucial in Gaza, but this is a very difficult role for Egypt, a difficult policy to explain, since it looks ugly to a lot of people. The Egyptian Government has done a surprisingly bad job at explaining the role.

The EU is very important: it is a way for Egypt to negotiate globalisation. It is instrumental in reform in other areas but not political. The UK is part of that, a backdoor. The UK does have a role in some of the softer parts of reform, such as that of the financial sector, actuarial services, and competition law. It is also a conduit for getting Egyptian opinion to the Security Council. And finally, the soft power of Chevening, where British education and language is a brand.