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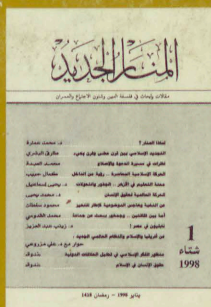
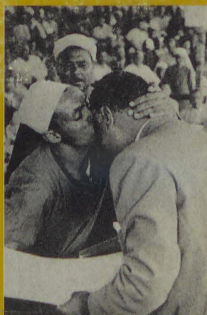
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# Discourses in Contemporary Egypt

## Politics and Social Issues

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## EGYPTIAN-ISRAELI RELATIONS: REFLECTING REGIONAL FLUIDITY

IMAN A. HAMDY

Egyptian-Israeli relations are not merely bi-lateral relations between two countries. Rather, they reflect several complexities related to broader regional issues. When Sadat and Begin signed the Egyptian-Israeli peace treaty in 1979, they had a clear and simple formula: trading land for peace. Peace here meant full 'normalized' relations between the two countries. Although the Arab-Israeli conflict was not yet resolved, politicians on both sides had the hope that this normalization process would contribute to achieving comprehensive peace in the region and develop with time to become an active interaction between two neighboring peoples rather than being an artificial relationship between states. The hope was that it would also serve as the model for future relations between Israel and other Arab states once peace prevailed in the region.

However, as the relations between Egypt and Israel have completed their twentieth year, they seem to be no less complicated and problematic than at the time they were launched. On the one hand, peace—in its strict meaning as the opposite of war—between Egypt and Israel proved to be much more enduring than was thought by some, as both countries managed to overcome many regional and national crises. On the other hand, economic and social relations between the two countries seem to be kept at a minimum, while political relations are plagued with frequent tensions mainly over issues that are related to negative developments in the Arab-Israeli peace process. At present, the state of affairs between Egypt and Israel is referred to as 'cold peace' at best and 'a prolonged truce' at worst.

Still, things are not that simple. And what seems to be a consistent pattern of an unfriendly atmosphere carries within it a huge set of details indicating that the 'cold peace' may not be that 'cold', and relations between Egypt and Israel are still far from taking their final shape.

This paper will try to demonstrate the complexity of Egyptian-Israeli relations by providing a close look at their dynamics and the underlying factors affecting them. In doing so, it will focus on the 1990s with reference made to



the previous decade when necessary. In order to understand the complexity of this relationship, we first need to see how it began and what was its nature.

### **Egypt and Israel: A Contractual Peace**

In a certain sense, Egyptian-Israeli relations represent a unique case. From the very beginning, Israel sought to withdraw from Sinai in return for tangible relations with Egypt. However, because there was no point of reference for these relations, Israel insisted on defining them in the peace treaty with Egypt in order to get a definite commitment from its former adversary. As such, the peace treaty came to stipulate not only mutual recognition and the end of all forms of aggression between the two states but also the establishment of diplomatic, economic, and cultural relations which were to start even before the completion of Israel's withdrawal from Sinai. Termed as the process of 'normalization', the various aspects of this relationship were defined in 22 agreements signed between the two sides, following the ratification of the treaty. Thus, what should have been forms of *spontaneous* interaction that develops between people over time has in fact become a *contractual arrangement* between states. According to Professor Shimon Shamir, the first director of the Israeli Academic Center in Cairo, the logic behind this was

to commit Egyptians to active and peaceful interaction in a number of fields in order to demonstrate to the Israelis, as far as this is feasible, the seriousness of their change of heart, and their willingness to accept [Israel] as [a neighbor] and as an equal legitimate entity in the Middle East. (Quoted in Hamdy 1987:167-68)

Consequently, Israel seemed to identify peace with Egypt in terms of a process of 'normalizing' relations between the two states and their peoples.

However, until the end of the 1980s, Israel fell short of fully implementing its part of the treaty. When it withdrew from Sinai in 1982, it retained the resort town of Taba as part of its border. After years of negotiations, the parties resorted to international arbitration which resulted in Egypt being given back the land in 1989. With the most immediate issue between the two countries resolved, Israel felt Egypt had no excuse to hamper normalization. From then on, it has been complaining about the slowness of the normalization process and accusing the Egyptian government of refusing to engage in any serious relationship with it as well as perpetuating the hostility and rejection of Israel



among the Egyptian people. On its part, Egypt has never at any moment ceased asserting its commitment to peace with the Jewish state even when relations were strained for one reason or another. At present, because of the low level of normalization, the prevailing state between both countries is commonly described as a 'cold peace'.

### **An Atmosphere of Cold Peace**

As the 1990s approach their end, political and social relations between Israel and Egypt seem to be kept at a minimum, both at the governmental and popular levels, with clouds of hostility and mistrust.

**At the official level**, the Israelis are constantly complaining that, despite the numerous visits of Israeli prime ministers to Egypt under both Labor and the Likud, the Egyptian president had never accepted the invitation to visit their country with the exception of his appearance at Rabin's funeral. In addition, normalization in the economic sphere is barely visible, while cultural relations are close to nil. With the exception of Egyptian oil exports to Israel that were specified in the peace treaty, trade is minimal and so is Egyptian tourism to the Jewish state. The Egyptian government does not allow Israeli firms to bid on government-controlled projects which constitute 80% of Egyptian business; the Egyptian press does not display Israeli ads (Bar Ilan 1995:35); the sign 'made in Israel' is still unacceptable in the Egyptian market; and there are restrictions placed on visits by Egyptian citizens to Israel. Israel is also prevented from participating in Egyptian international cultural activities such as the Cairo International Book Fair and the Cairo Film Festival. After the Likud came to power in 1996, and as a result of what were considered provocative policies of the Netanyahu government together with the effective stalling of the peace process, an atmosphere of open hostility has characterized Egyptian-Israeli relations.

The tensions of the past decade between the two countries were manifested in a media war between them. The most notable of these tensions were Egypt's campaign in late 1994 and early 1995 to pressure Israel to join the Nuclear Non-Proliferation Treaty (NPT), the hosting of an Arab summit by Egypt in 1996 that was solely directed against Israel, and the sentencing of an Israeli spy in Egypt to 15 years in prison.



The issue of Israel's possession of nuclear weapons has been a sensitive problem with Egypt and the Arab World at large. While Israel never explicitly admitted the acquisition of these weapons, it was almost common knowledge that it did possess them. In addition, Israel refused to sign the International Nuclear Non-Proliferation Treaty of 1973. According to an Egyptian analyst, Egypt refrained from raising the issue of Israel's nuclear capabilities during the 1980s because, despite the signing of a peace treaty with Egypt in 1979, Israel was still at war with the Arabs. However, with the Madrid Peace Conference in 1991 that inaugurated peace negotiations between Israel and the rest of the Arab World, it has become imperative for the parties concerned to address all aspects of peace, including the issue of military balance. At that time also, the acquisition of nuclear weapons surfaced as an issue at the international level since, following the completion of its 25th year, the NPT was about to be extended. The US wanted to extend it indefinitely but, while turning a blind eye to Israel's nuclear arsenal, Washington let it be known that Egypt was "expected" to join the treaty. This requirement was unacceptable to Egypt, not only because of the military implications, but for political considerations as well. On the one hand, as peace was expected to develop in the region so that Egypt and Israel would become equal members in the new Middle East 'club', it would be unfair to have one member enjoy nuclear leverage while the other was deprived of it. On the other hand, Egypt had always played a leading role in the Arab World, and it would be difficult to maintain this role if it accepted Israel's exclusive monopoly of nuclear weapons in the region (Sidahmed 1995:71-72).

Thus, in summer 1994, a year before the treaty was to be extended, Egypt asked Israel to join the treaty, a demand that Israel firmly refused. As a result, Egypt threatened not to sign the treaty and tried to get Arab and Islamic countries to follow suit. For months, negotiations and statements about the issue were headline news in the two countries until, finally, Egypt ceded to US pressure and endorsed the treaty in April 1995. As a compromise, the treaty was amended with a section urging all countries to join but without specific mention of the Jewish state (Ayalon 1997:267-68). Nevertheless, as far as Egypt is concerned, the issue remains open as Egypt still insists that Israel should dismantle its nuclear arsenal if peace is to prevail in the area.

A year later, in the summer of 1996, when the Likud government came to power, Cairo organized an Arab summit linking progress in the peace process with normalization with Israel. A few months later, with Netanyahu's



aggressive settlement policy in the occupied West Bank (especially Jerusalem) and his disruption of the peace process, Egypt threatened to cancel the regional economic conference in Cairo that previously it had been very keen to host. Israel responded by claiming that its strong economy hardly needed these regional conferences and that Egypt would only harm itself by canceling it. Finally, deciding to hold the conference nevertheless, again partly because of US pressure, Egypt made sure to emphasize that the aim was to serve Egyptian and Arab interests rather than to enhance Israeli-Arab cooperation as had been the intent in previous years. The following year, Egypt boycotted the Doha economic conference, an action that seemed to be in conformity with an Arab League resolution passed in April 1997 calling for the freezing of normalization with Israel (*al-Hayat* 3 April 1997:10).

In the midst of the tense political atmosphere between the two countries, Egyptian authorities arrested an Israeli Arab citizen working for a joint venture textile factory, Azzam Azzam, and charged him with spying against Egypt. The arrest of Azzam was highly publicized in Israeli media, which asserted his innocence and accused the Egyptian government of fabricating the story and deliberately working to discourage Israelis from dealing with Egyptians. In addition, there were several attempts made by Israeli President Ezer Weizmann and Prime Minister Netanyahu to appeal to President Mubarak to free Azzam even after he was convicted by an Egyptian court and sentenced to 15 years in prison in summer 1997. The appeal was refused. It had also been alleged that the main reason behind the refusal to release Azzam was a lack of trust on part of the Egyptians who, having made a similar deal with Israel in 1993 to exchange three Israeli spies for a number of Egyptian prisoners, were cheated by the Israeli government after having its own people returned (*al-Wasat* 13 October 1997:18).

Also in the summer of 1997, while the Azzam issue was the focus of media and political attention, the Egyptian authorities were dealing with allegations against two other Israelis. One was a charge against Israeli businesswoman Dvora Ganani who had maintained an office in Cairo since 1992 where she worked as a broker between foreign and Egyptian companies. Because of her expertise, she was often consulted by the Israeli authorities and asked to advise Israelis wanting to do business in Egypt (*The Jerusalem Post International Edition* 13 September 1997:9). In July, when she returned to Cairo, she was detained by the security authorities and accused of 'industrial



espionage'. On the day she was arrested, Ehud Barak, head of the Labor party, was on a visit to Egypt and intervened, requesting that she be allowed to return to Israel with him on his plane (*ibid*). The Egyptians granted his request but stipulated that she would be prevented from ever entering Egypt again. In another instance in the same month, Egyptian courts issued a life sentence *in absentia* against Simon Dahan for smuggling LSD tablets and asked Interpol to arrest him.

These cases brought to light a thorny issue in Egyptian-Israeli relations that has intensified ever since the signing of the 1979 peace treaty, what can be called a "war of espionage and drugs" between the two countries. According to official Israeli sources, Israel is holding 15 Egyptians in its prisons who are accused of spying, drug smuggling and involvement with Hamas (*al-Wasat* 24 June 1996:6). While figures are not disclosed, Egyptian sources claim that the number of Israelis involved in spying and drug trafficking in the past twenty years exceeds that number between 1960 and 1979, and in many cases there is a close connection between the two activities (*al-Wasat* 13 October 1997:18). An opposition paper has quoted the Egyptian Foreign Minister as saying in the People's Assembly that in 1998 alone, 379 Israelis were deported for having in their possession illegal items: 250 were carrying forged dollars, 31 had drugs, and 98 were carrying weapons (*al-Wafd*, 7 January 1999).

**At the popular level**, the picture is no less bleak for normalization enthusiasts. As the Palestinian problem has not yet been resolved, most of the Egyptian people resent having any relations with Israel. On the one hand, they cannot abandon their hostility to the Jewish state which is still usurping the rights of their Palestinian brothers. On the other, they feel that boycotting Israel is the only means of struggle left for them to pressure it into seeking a just peace in the region. This position has been maintained by all opposition parties and professional syndicates which still express their opposition to the Camp David accords and prevent their members from having any contact with Israel. Needless to say, intellectuals have been at the forefront of this battle, rejecting any form of cultural normalization between the two countries and warning against the cultural invasion of Israel and the attempts of the Jewish state to distort Egyptian history and undermine its traditions.

Moreover, the above-mentioned engagement of some Israelis in espionage activities against Egypt has strengthened the conviction of many Egyptians



concerning Israel's attempts to destroy their country by means other than war. This belief has sometimes manifested itself in press reports and drama productions in the media that associate Israel with all that is evil in the society. One rumor has been that Israel smuggled a certain kind of chewing gum into Egypt that would cause sexual arousal in females. The gum was reported to have been sold in the Delta governorates. Other accounts have claimed that Israel is sending females with AIDS to seduce Egyptian males and infect them with the disease. In fact, almost a decade ago, an Egyptian movie, "Love in Taba," centered around this theme. In 1997, a group of Egyptian youth were alleged to be engaged in devil worship causing an uproar in the society. An Egyptian newspaper claimed that some of those youth joined the cult "after participating in an orgy arranged by Israeli intelligence agents at a beach resort on the Red Sea" (ZOA Press Release). Another weekly magazine alleged that the worshipers "drink blood and dance in a circle around a Star of David with a candle in each point" (*ibid*). Then, during the summer of 1998, Egypt produced a new brand of cigarettes called Toshka that were a bit shorter than the regular cigarettes. When sold in the market a strong rumor circulated stating that the cigarettes were imported from Israel and were poisonous. That caused a crisis in the market as people refused to buy the new cigarettes, which were stockpiled, while regularly consumed brands were in short supply. Finally, the head of the producing company of Toshka cigarettes appeared in an interview in *al-Ahram* daily, asserting that the cigarettes were made in Egypt.

Because many Egyptians still see the Israelis as their enemies who seek to harm their country, they do not feel the same sympathy for Israeli victims of terror in Egypt as they do for other nationalities. In mid 1980s and early 1990s, there were several attacks on Israelis in Egypt, causing the death of 15 and the injury of 21 (Stein 1997:308). In one of these instances, in 1985, an Egyptian soldier killed five tourists in Sinai. The soldier was arrested and received a life sentence. Shortly thereafter he was reported to have died in prison. While government sources asserted it had been suicide, the opposition press and other sympathizers claimed he was killed in prison by Mossad agents. This soldier had already won considerable sympathy from Egyptians as he was reported to have admitted that he killed the tourists because they offended Egypt. There is now a brick factory in his hometown in the Delta named the Martyr Soliman Khater Factory. Another group responsible for other attacks on Israelis was *Thawrat Misr* (Egypt's Revolution) to which Gamal Abdel Nasser's oldest son,



Khaled, was said to belong. That group again won public respect especially because of its association with Nasser's name. When reporting the death of its leader, Mahmoud Nour el-Din, who died in prison in 1998, the official dailies refrained from labeling him or his group as terrorists. They reminded their readers that his organization had never attacked any Egyptians, only Israelis. Thus was *Thawrat Misr* set in stark contrast to the Islamic fundamentalist terrorist groups which target innocent Egyptians and tourists.

### **How Israel Is Hindering Peace**

For their part, the Israelis have done very little, if anything at all, to convince the Egyptians of their genuine interest in comprehensive peace and to reverse the hostility towards them. It is no secret that Egypt has a very strong commitment to the issue of Palestine, and that the decades-long state of warfare between Egypt and Israel was over the Palestinian problem and did not begin when Israel occupied the Sinai in 1967. In 1979, when Sadat signed the peace treaty with Israel, he sold it to the Egyptian public as part of a comprehensive peace that would resolve the core issue of the Arab-Israeli conflict. However, this fact has been deliberately ignored by Israel whose aggression against the Palestinian people and the Arab states increased after signing the peace treaty with Egypt which neutralized its strongest foe. For the past two decades, Israeli aggressiveness only served to fuel domestic Egyptian opposition to peace and reinforce the negative attitude the Egyptians have toward Israel (Stein 1997:305). The most conspicuous of these actions since 1980 have been:

- 1- The failure of the Palestinian autonomy talks
- 2- Israel's June 1981 bombing of the Iraqi nuclear reactor
- 3- Annexing the Golan Heights and extending Israeli laws there in 1981
- 4- The 1982 massive invasion of Lebanon and the Sabra and Shatilla massacres against Palestinian refugees
- 5- Israel's sustained occupation of south Lebanon
- 6- The bombing of the PLO headquarters in Tunis in 1985
- 7- Israel's brutal management of the intifada
- 8- The deportation of more than 400 Hamas activists to South Lebanon in 1992



- 9- The "Grapes of Wrath" operation in Lebanon and the Qana massacre in 1996
- 10- The September 1996 opening of a tunnel near the Western Wall in Jerusalem, and
- 11- Delay in the implementation of the Declaration of Principles with the Palestinians. (Stein 1997:305-6)

To Stein's list can be added, last but not least, the observation that ever since the signing of the Oslo Agreement with the Palestinians in 1993—and contrary to this agreement—Israel has been expanding its settlement activities in the West Bank, obviously intended to preclude the return of even more territory occupied in 1967 to the Palestinians. In addition, it has embarked on a very aggressive policy of *judaizing* Jerusalem and asserting its full control over the city—including East Jerusalem—in the negotiations of the final settlement at the expense of the Palestinians. This policy involves building settlements in the heart of the Palestinian part of the city and withdrawing the identity cards of thousands of Palestinian residents of Jerusalem under various pretexts so as to minimize the number of Palestinians living there.

At the bilateral level, and despite Egypt's clear and unequivocal commitment to peace during the past two decades, Israel has been responding to the unsatisfactory normalization process with Egypt by alluding to the possibility of a military confrontation between the two countries. An example of Israeli statements to this effect is the claim by Defense Ministry Director-General, David Ivri, in 1992 that "the peace with Egypt is not peace, it is actually a cease-fire that has continued for 15 years" (Stein 1997:312). In another instance, as Egypt was waging its campaign to get Israel to sign the NPT, a working paper was leaked from the Israeli Ministry of Foreign Affairs in January 1995 calling for a "harsh response" to Egypt's position and the need for "punishing" it. That coincided with a statement made by Prime Minister Rabin in which he said that Israel should be ready "to wage an all-out war [against the Arabs] in the medium or long term" (Ayalon 1997:262). Then, on the 25th Anniversary of the October 1973 War, Prime Minister Netanyahu referred to the Egyptians as Israel's "enemies" in the south, a term never used by Egyptian officials against Israel even at moments of crisis.

On the other hand, Israel's acquisition and development of nuclear, biological and chemical weapons, and its insistence on retaining military



supremacy over all Arab states combined—both in qualitative and quantitative terms—strengthens Egyptian suspicions of the Israelis' peaceful intentions. In November 1998, Egyptian papers quoted an Israeli scientist as saying that his colleagues are working on a biological weapon that will destroy only the Arabs through their DNA (*al-Ahram* 17 November 1998:1). In response, Mubarak's political advisor, Osama al-Baz, said this was nonsense and was only intended to demoralize the Arabs and make them feel that Israel is the sole powerful party which can do what it likes to others (*al-Ahram* 20/11/1998:8).

As for the Israeli press, it is still holding to the old stereotypical image of the 'malicious' Egyptians seeking to destroy Israel. Newspaper articles bring illustrations of anti-Israel articles and cartoons to claim that Egyptians hate Jews simply because the Egyptians are anti-Semitic (!), an accusation which is sometimes reiterated by Israeli academics. In addition, they frequently publish news reports on the growth of Egypt's military expenditures and capabilities and attribute this to the country's intention to attack Israel. An example of these articles is one by Yehoshua Porat that appeared in *Yediot Aharonot* on 8/3/1999 entitled "Why Does Egypt Arm Itself?" The article accused Israeli politicians of "burying their heads in the sand" by not paying heed to the huge expenditures Egypt is allocating to its army, and argued that Egypt's growing military strength should not be taken lightly or viewed separately from the hostile position of Egyptian diplomacy and the media toward Israel. It went on to assert further that Egypt's arming itself is directed solely against Israel and claimed that Egypt does not need so much power to defeat its other neighbors—Libya and Sudan. Finally, the article called on Israel to use its lobbying power in the US Congress to block further arms sales to Egypt (*Mukhtarat israiliyya*, April 1999:45).

### A Set of Unsettled Issues

Although the peace treaty would seem to have addressed all problems between the two countries and drew the details of the relationship between them, a number of controversial issues have emerged and need to be resolved before both peoples learn to live together. Among these issues are compensation for Israeli exploitation of the Sinai and Jewish property in Egypt, the Egyptian claim to Um al-Rushrash (presently Eilat), and crimes Israel committed against Egyptian prisoners of war.



In the past few years, a number of Israeli citizens have sued the Egyptian government to regain their property in Egypt that was confiscated or nationalized by the government in the 1950s and early 1960s, or to receive compensation for it. Among these cases was the one won by the owners of Cecil Hotel in Alexandria (*al-Wasat*, 8/7/1996:14) and another raised by the Bigio family which owned land and factories in Cairo (*The Jerusalem Post Internet Edition*, 20/5/1999). According to Egyptian sources, the Israeli government is encouraging its citizens to reclaim their lost property in Egypt while refraining from taking part in this process for fear that the Egyptian government will seek compensation for Israel's exploitation of Sinai resources during the time of Israel's occupation (1967-82). Such action by Israeli citizens could also open the way for Egyptian citizens to seek compensation from Israel for their property lost in Palestine (*al-Wasat*, 8/7/1996:15).

Also concerning lost property was a report in an Arabic weekly magazine about the intention of Egypt to try to regain the Um al-Rushrash area. One and a half the size of the Golan Heights, this area was occupied by Israel between 1948 and 1957. According to the article, a study was submitted to President Mubarak on the legal right of Egypt to claim it. When celebrating the liberation of Sinai in April 1997, the Egyptian president declared that "Um al-Rushrash is Egyptian land and we will not give it up" (*al-Wasat*, 4/8/1997:20). Meanwhile, it has been alleged that since 1994 Egypt has refused a number of joint projects suggested by Israel involving Egypt, Israel, and Jordan because they included Eilat, so as not to lose Egypt's claim to this territory. One of the projects was a Red Sea resort in the Aqaba-Taba-Eilat triangle (*ibid*:15).

A third source of crisis emerged in 1995 when Israeli historians and army veterans admitted that they had killed thousands of Egyptian prisoners of war in massacres during 1956 and 1967, and that leading Israeli politicians like Rabin, Sharon, and even Barak were involved. The source of this article also claimed that the headquarters of the Israeli army knew about these atrocities but did not do anything about them. (*The Chronicle-Herald*, 17/8/1995:D3). These accounts were reported in the Egyptian press and provoked very bitter and angry reactions among the Egyptian people, while the government declared it would demand a legal investigation in Israel of the matter and seek compensation for the families of the victims. While the issue seems to have been closed with nothing done, it may have only been shelved and could be opened at some future time.



In spite of the seriousness of the above-mentioned issues, none of them has yet been resolved. There seems to be a tacit agreement between both countries to postpone addressing them in order to avoid creating more tension at present. So they continue to surface from time to time, further contributing to an already uneasy bi-lateral relationship.

These are the main features of the cold peace between Egypt and Israel. Nevertheless, it is worth mentioning here that despite all the tension between them, there are certain 'red lines' that both countries are careful not to cross in dealing with each other. Basically they are keen to:

- 1- Avoid causing any disruption in the military-security dimension of the relation which may escalate into a military confrontation between both sides.
- 2- Maintain a minimum level of economic cooperation that represents common interests between the two parties. This includes the export of Egyptian oil to Israel, limited trade exchange, joint industrial and agricultural ventures, and Israeli tourism to Egypt.
- 3- Maintain contact between officials in both countries even at the height of political tension. (Abdel Meguid 1999:251-52)

### **Signs of Normalization**

This is the general trend in Egyptian-Israeli relations. However, if we only stop at this picture we are missing a lot. A close look at this relationship reveals a much more dynamic interaction at the various levels of society. The problem is that most of these interactions are not officially documented, thus they do not receive enough attention despite their crucial significance.

**First and foremost**, the Egyptian government itself does not adopt a uniform attitude toward Israel. Various ministries have different, and sometimes largely contrasting, levels of interaction with the Jewish state. The most obvious illustration is the difference between the policy of the Ministry of Agriculture and that of Higher Education. The former acts as the most active advocate of normalization while the latter totally rejects any form of exchange with Israel (Badran 1995:308). Throughout the 1990s, other ministries have



been cooperating increasingly with Israel in joint projects especially in the fields of electricity, energy, and tourism. In 1994 Egyptian authorities took a significant step to enhance normalization, both at the symbolic and practical levels, when they ceased to request the prior issuance of security permits for Egyptians who want to go to Israel (ibid:306).<sup>1</sup>

**Second**, with regard to economic interaction, Yaacov Yisraeli--an attorney in Tel Aviv who represents some Israeli businesses in Egypt-- identified three categories for Israeli business dealing with Egypt: agriculture, joint ventures and large projects. Agricultural investment happens either in Egyptian farms using Israeli technology or Israeli companies that grow products in Egypt and market them in Europe. The joint ventures consist of Israeli firms that set up enterprises in Egypt with Egyptian partners. These companies manufacture goods, basically textiles, and sell them in Egypt and the Arab World (*The Jerusalem Post International Edition* 13/9/1997:9). Although there are no aggregate figures on the number of these projects, they seem to be increasing. Israeli newspapers have reported that despite the fact that Cairo gave cold shoulders to Israeli officials during the Cairo Economic Conference, the Egyptian government has allowed multi-entry visas to be issued to Israeli businessmen and encouraged them to do business in Egypt (*The Jerusalem Post International Edition* 9/11/1996:18). In fact, the conference was a good chance for the Israeli private sector to conduct deals with their Egyptian counterparts (*Mokhtarat israiliya*, December 1996:8). As for the large projects, one of the most publicized enterprises has been the refinery established in Alexandria by joint Egyptian-Israeli private capital, a project that carries a lot of significance since refineries are seen as "very sensitive plants with great strategic value" (*Mokhtarat israiliya*, March 1995:7). Under the Likud government, Mubarak extended at least two invitations for groups of Israeli industrialists and businessmen to visit Egypt and invest in the country. It has been claimed that while the Israelis are interested in establishing industrial zones like the one they established with Jordan in Irbid, Egyptian businessmen are more interested in Israeli direct investment in Egypt proper, such as the textile enterprise Delta Galil that has two factories employing 580 workers (*The Jerusalem Post Internet Edition*, 7/2/1999).

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<sup>1</sup> However, the experience of one regular traveller to Israel indicates that this requirement may have been re-introduced lately.



As for the retail level of trade, it is true that it reflects a strong negative public attitude toward Israeli goods. However, this is only half of the truth. Some economists claim that this level may be due mainly to two factors. First is the fact that inter-regional trade is very minimal in general. Here it is interesting to note that Egypt's trade with Israel exceeds its trade with some Arab states. Second, is the non complementarity of the two economies, that is what Egypt has Israel does not need and vice versa (Zilberfarb 1994:92-93). The assumption that economics may sometimes be independent from politics is supported by the fact that, according to Egyptian official sources, contrary to expectations because of the political tensions between the two countries under the Netanyahu government, Egyptian imports from Israel increased in the first quarter of 1997 by 32.2% compared to the previous year.

Also related to economic relations is a **third** sign of normalization: human interaction through tourism and the exchange of labor. Although the number of Israeli tourists in Egypt far exceeds the number of Egyptians visiting Israel, indications show that there is a significant increase in the latter. In 1994, 20,000 Egyptians visited Israel, a figure that stood in sharp contrast to the minimal figures of previous years (*Mokhtarat israiliya*, March 1995:6). According to the Israeli Embassy in Cairo, this number jumped to 30,000 in 1995 (Tschirgi 1998:70). The Director of al-Ahram Center for Political and Strategic Studies, Abdel Moneim Said, claims that this was "the largest number of visitors to any Middle East country other than for work or pilgrimage" (*The Jerusalem Post International Edition*, 11/3/1999). It is worth noting here that this boom also reflects an increasing number of Coptic religious visits to Israel despite the firm ban set by the Egyptian Coptic orthodox Church against going to Israel for pilgrimage because of the dispute between the Church and Israeli authorities over a historical monastery in Jerusalem.

As for labor exchange, there are no available figures on either side as to how many Israelis work in Egypt and Egyptians work in Israel. While Israelis working in Egypt may not exceed a few hundreds at best, mostly experts in agriculture and textiles, some unofficial Egyptian estimates claim that as many as 20,000 Egyptians crossed the border to work in Israel (*al-Wasat* 4/11/1996:16). Other sources say the numbers of Egyptians going to Israel for work are only in the hundreds. One of the reasons why this phenomenon is totally undocumented is that many of these Egyptian laborers are working



illegally in Israel. Some press reports in Egypt claimed that illegal workers can make between US\$700 and US\$1000 a month (Tschirgi 1998:70). One of these reports interviewed a few returning youths who said that Israeli authorities welcomed the work of Egyptians even though this might be a violation of their laws, and that if they caught someone without a work permit they would set him free once they knew he was Egyptian (*al-Wasat*, 19/5/1995:23).

In order to legalize their stay in Israel, a number of Egyptian men have married Israeli women to secure residence, while some others may have married for love. Again there are no official accounts of mixed marriages, although some figures appear in press reports. One of these figures was given by Abdel Moneim Said who claimed that in 1996 there were 1,039 such cases (*The Jerusalem Post Internet Edition*, 11/3/1999). This may be an overestimation as it may be including marriage between Egyptians and Israeli Arabs rather than Egyptians and Jews. Another estimate claiming semi-official sources gave the total number of 2,000 marriages and, even more importantly, 2,400 children carrying Israeli nationality (*Sawt al-Azhar*, 26/11/1999:3). Regardless of its size, this phenomenon was noticeable enough to be a source of debate in the media. Several articles appeared in the press discussing this issue. Some just described the phenomenon while others warned against it as an Israeli ploy to harm the Egyptian society and to acquire property rights in Egypt. A third group claimed that it would not be of any harm to Egypt as Egypt has a population of 66 million and can certainly absorb a few Jews. It was also reported that a bill was submitted to the People's Assembly by one of its members calling for withdrawing the Egyptian nationality of any Egyptian who married an Israeli.

Whether they constitute a few thousand or a few hundred, Egyptian laborers in Israel and mixed marriages represent a critical indication of normalization because these are phenomena that are at the grassroots level rather than the level of the political or business elite.

**Finally**, come the intellectuals, the bulwark of the boycott of Israel. Despite the fact that this group still represents the strongest opposition to any relations with Israel, in the past few years there have been several indications of cracks in their position. First, we cite the hundreds of Egyptian youths who go to Israel on fellowships provided by the Israeli academic center. Meanwhile, while universities still boycott Israel, Egyptian academics meet with Israeli



counterparts in the private research centers that have been mushrooming in Cairo. A few Egyptian writers and journalists have also visited the Jewish state and written about their experiences. Although such acts have triggered verbal uproars, nothing further happened to these persons. Among the visitors to Israel was the prominent playwright Ali Salem who subsequently described his trip in a book entitled *Rihla ila Isra'il* (A Trip to Israel). His book instigated a series of accusations and counter-accusations between him and other intellectuals over issues of "loyalty" and "terrorizing opposition". Eventually the author was expelled from the Writers' Union for violating the boycott of Israel. Also, some Egyptian singers have held performances in Israel.

In 1998 some prominent Egyptian intellectuals established the Cairo Peace Society, counterpart of the Israeli Peace Now, causing further division and confusion among intellectuals, especially as this group seemed to be receiving the blessing of the Egyptian government. The Society was founded by: the late Lutfi al-Khuli, a distinguished writer who had been a staunch supporter of the Palestinian cause and opponent of Sadat's peace initiative at the time; Salah Bassiouny, an ex-Ambassador and lawyer; Abdel Moneim Said, the Director of al-Ahram Center for Political and Strategic Studies--the oldest and most prominent research center in Egypt that is affiliated to *al-Ahram* newspaper. Other founders included a university professor and a major businessman. This group paid several visits to Israel, invited members of Peace Now, issued a common declaration with Peace Now concerning the bases of a comprehensive peace, and established a permanent office in Cairo to carry on their activities. They claimed their aim was to work hand in hand with Israeli doves in order to mobilize the Israeli society behind the cause of peace and teach people in both societies to accept each other. In early July (1999), it was interesting to see two public conferences being held in five-star hotels in Cairo, one for the promotion of peace with Israel convened by the Cairo Peace Society after the election of Ehud Barak in June while the other denounced the first conference and called for the boycott of Israel. Both conferences had prominent politicians and intellectuals in attendance. The Egyptian government was said to back the former when it was announced that the Egyptian Foreign Minister would deliver the opening speech. However, the minister changed his mind at the last minute and his ministry announced that it was a conference by NGOs and thus had nothing to do with the government. While some explained this shift as a sign of giving in to the pressure of public opinion that rejects normalization with



Israel, such action by the government is in conformity with the general trend of Egypt's official policy of muddling through on this issue without taking a firm position to encourage or discourage relations with Israel.

### **Conclusion: The Future**

What is the future of this relationship? At present it is hard to speculate. Suffice it to say that this future will depend on three basic factors:

(1) The resolution of the Palestinian problem and the establishment of comprehensive peace in the region. This is the most detrimental variable in Egyptian-Israeli relations. As long as Israel continues to usurp the rights of the Palestinian people and denies them a state of their own, the majority of the Egyptian people will not accept peace with the Jewish state.

(2) The new Middle East arrangement that may cause cooperation or competition between the two countries. It was well observed during the Amman Regional Economic Summit in 1995 that Egyptian statesmen were irritated by the speed with which Jordanians and the Gulf states embraced normalization with Israel to the point of publicly criticizing the way 'some Arab parties' were craving relations with Israel. A number of political analysts commented on the Egyptian reaction by saying that Egypt may feel threatened that it stands to lose its leadership position in the Arab World when Arab states bypass it in their relations with Israel. In 1999, the editor of the *Arab Strategic Report*, published annually by al-Ahram Center for Political and Strategic Studies, went as far to claim that Egyptian-Israeli relations are determined first and foremost by the competition between both parties over their regional position and the mistrust each side has for the intentions of the other, rather than by progress in the peace process (*al-Ahram*, 26/3/1999:8). Israel must, thus, be careful not to step on Egypt's toes as the leading Arab state.

(3) The settlement of the aforementioned bi-lateral problematic issues. A satisfactory resolution of these issues is a basic prerequisite for a durable peace between Egypt and Israel.

The interesting thing about the manifestations of normalization is that they show a much more complex Egyptian-Israeli relationship than is apparent at first glance. Far from reflecting a mass attitude, these tentative forays into normalization cut across three levels of society: the political establishment, the



economic and intellectual elite, and the general public. Each level has its own reasons for the positions and actions it takes, which also show that this relationship is still in the making. The double signals given by the Egyptian government to its own people is an indication of its refusal to commit itself to any level of interaction despite its firm commitment to peace with Israel, as if it wants to keep its balance while walking on a thin rope.



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