

# Bennett Visit Shows the UAE Balancing Between Israeli Ties and Regional De-escalation

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Brief Analysis

**The meeting confirmed how eager both countries are to keep their economic progress humming along, but such cooperation could become complicated if concerns about Iran’s nuclear program come to a head.**

**W**hen Emirati leader Muhammad bin Zayed (aka MbZ) hosted Israeli prime minister Naftali Bennett for four hours of talks on December 13, their keen mutual interest in bilateral progress likely contrasted with their differing approaches to key regional security issues, particularly Iran. Bennett, like his predecessors, has made stopping Tehran’s march to a nuclear weapons capability his top foreign policy priority. He has also publicly criticized the direction of the Vienna nuclear talks, designed to return Iran to compliance with the 2015 nuclear deal. It would therefore be logical for him to make these issues a focal point of his talks with MbZ—indeed, many believe that the ongoing convergence between Israel and the UAE was originally sparked by their shared goal of thwarting Tehran’s regional ambitions.

Yet early indications are that the two leaders finessed the issue, preferring to focus their first encounter on building rapport and consolidating the economic relationship. More broadly, Bennett’s visit came at a time of major reassessment within the UAE foreign policy community. Abu Dhabi appears to be in the midst of a balancing act whereby it maintains a wholehearted commitment to the economic promise of ties with Israel while simultaneously pursuing regional de-escalation. In its view, both pursuits are consistent with its desire to expand commercial relations in preparation for the post-oil era, among other goals.

## Regional De-escalation

**A**bu Dhabi’s recent diplomatic outreach to Iran, Turkey, and other actors marks a break from its active involvement in regional security challenges over the past decade, when it repeatedly deployed its military forces

against Islamist elements in other countries. Today, the UAE fears that a breakdown in diplomacy with Tehran might leave it caught in the middle of a military confrontation between Iran and Israel. According to Emirati officials, the rebalancing is not just about enhancing commercial prospects or avoiding conflict with neighbors; it is also tied to their conviction that the United States is retrenching in the Middle East, despite Washington's emphatic denials. Hence, they feel compelled to diversify their risk by reaching out to other states.

Last month, for example, MbZ visited Turkey to meet with President Recep Erdogan, who has often championed elements of the same Islamist groups that Abu Dhabi vigorously opposes. And on December 6, Emirati national security advisor Tahnoun bin Zayed met with President Ebrahim Raisi in Tehran, where they reportedly discussed improving ties and scheduling a potential visit to Abu Dhabi (which officials say MbZ is willing to consider).

The influential former minister of state Anwar Gargash provided further insight into the UAE's outreach during his November 15 keynote address at the Emirates Policy Center: "We remain deeply concerned about Iran's behavior in the region, including its ongoing interference in Iraq, Syria, Yemen, and Lebanon. Despite this, we have taken steps to de-escalate tensions, as we have no interest in a confrontation. The whole region would pay the price of such a confrontation for decades to come."

Another official was equally blunt in conversations held during the author's nine-day visit to the Emirates last month, stating that de-escalation is needed because "the old strategy did not work." A third Emirati official added, "We are talking about a 'UAE first' approach to prosperity and stability."

Regarding the Abraham Accords with Israel, the UAE has emphatically assured Tehran that the normalization agreement was in no way intended to flout Iran or place Abu Dhabi in a regional axis. According to some officials, Tehran does not oppose Emirati involvement in the accords but draws the line at Israel establishing any security-related installations in the UAE. In contrast, Morocco—another party to the accords—did not hesitate to sign a memorandum of understanding with Israel on security issues.

Finding the right balance on security matters will not be simple. On one hand, Emirati air force commander Gen. Ibrahim Nasser al-Alawi visited Israel in October to observe his units participate in the country's largest multilateral air exercise, which focused in part on countering drones.

On the other hand, the joint public statement released by the official Emirates News Agency after Bennett's visit did not mention Iran, despite his office indicating beforehand that the issue would be discussed. According to a separate release by the Emirati agency, MbZ "highlighted that the UAE's foreign relations are based on firm principles of mutual respect, cooperation, and upholding the values of coexistence and peace." He also expressed "his hope that stability will prevail in the Middle East."

Meanwhile, the newspaper *Israel Hayom*—often seen as supportive of the opposition Likud Party—reported before the trip that Bennett would likely present MbZ with new intelligence information on various matters, including the base in Kashan, Iran, where militiamen from around the world are trained to use exploding drones. It is unclear whether Bennett wound up raising these issues.

On the Palestinian issue, one Emirati official said that this subject would be discussed in future meetings, and that for now it was important for MbZ and Bennett to maintain chemistry. (According to a senior Biden administration official, the Emiratis told Washington that the "chemistry between the two leaders was great" during this week's meeting and that the visit was "very successful.") When the UAE signed onto the Abraham Accords, many Palestinians were embittered because they believed the deal would undercut their leverage with Israel. Yet Abu Dhabi feels the Palestinians have been ungrateful, arguing that it was the accords that halted Israeli annexation of the West Bank during the Trump-Netanyahu era.

Another product of the accords was the U.S. agreement to sell F-35 jets to the UAE—a deal that was recently halted

when Abu Dhabi chafed at U.S. restrictions intended to prevent Chinese espionage on the system. Despite the formal pause, Emirati officials say the issue is still pending resolution with Washington, while Israeli security officials say they have been aware of the matter for a couple months and do not believe it will affect Jerusalem's relationship with the UAE.

## Bilateral Opportunities

**A**s a signal of their serious intent to grow the relationship, the UAE and Israel have signed no fewer than sixty memorandums of understanding in different areas. Bennett noted this fact after the meeting, stating that “many cooperation agreements were concluded in the fields of trade, research and development, and cybersecurity, health, education, aviation and more, and I look forward to the continued development and consolidation of relations.” The two countries also announced plans to set up a bilateral climate investment fund.

Emirati and Israeli officials are especially enthusiastic about the potential of their bilateral economic relationship. They see thriving ties as not just mutually beneficial, but also a **model for other Arab countries** (<https://www.washingtoninstitute.org/policy-analysis/gulf-arab-summit-could-be-overshadowed-israel-uae-meeting>) seeking to normalize with Israel. Moreover, Emirati officials note that Israel is a sophisticated economy that can help the UAE diversify and digitize its economy as it prepares for the post-oil era. They have confirmed reports that MbZ gave the green light earlier this year to begin bilateral discussions about creating a \$10 billion Emirati fund to invest in Israeli technology and other areas.

The two countries have already increased their registered bilateral trade tenfold just in the first ten months of 2021, reaching close to \$900 million. During this week's meeting, Bennett and MbZ apparently discussed the possibility of signing a free trade agreement in 2022. And in September, Israel's Delek Drilling **finalized a significant energy sale** (<https://www.washingtoninstitute.org/policy-analysis/uae-israel-gas-deal-finally-finalized>) with the Emirati wealth fund Mubadala, giving the UAE a stake in the Tamar natural gas field for \$1 billion.

Going forward, the UAE is open to a variety of creative relationships that would enable Israeli products to reach Emirati export markets in Asia and Africa. Officials say it was no accident that an October 18 virtual meeting between Secretary of State Antony Blinken and the Israeli and Emirati foreign ministers also included their Indian counterpart—India is the UAE's second-biggest trade partner. This four-way approach to future economic cooperation has been dubbed “the Quad.”

Elsewhere, the UAE brokered a deal last month that calls for **a new solar plant in Jordan** (<https://www.washingtoninstitute.org/policy-analysis/uae-fund-israel-and-jordans-solarwater-deal>) to produce 600 megawatts of electricity for export to Israel; in exchange, desalination facilities in Israel will export 200 million cubic meters of water to Jordan. (Though Saudi Arabia has asked that the deal be downgraded to a letter of intent given Riyadh's lack of ties with Israel.)

Bilateral tourism is poised to flourish as well. According to Israeli officials, 200,000 Israeli tourists have visited the UAE during the pandemic, suggesting the potential for much higher numbers once COVID-19 is under control.

## Conclusion

**T**he Bennett-MbZ meeting confirmed how eager both countries are to continue the sharp upward climb of their new bilateral economic relationship. The question is how long they can maintain that trajectory if they differ substantially on the best way to avert a nuclear Iran. Perhaps they will continue agreeing to disagree; alternatively, the issue could become a point of complication if Israeli tensions with Iran grow and the UAE begins to feel even more vulnerable.

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