How Russia Challenges the United States’ Investment in Egypt

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Brief Analysis

Outside observers, it sometimes appears that decision makers in Washington take the close relationship between Egypt and the United States for granted. On the one hand, this makes sense: The United States has invested a great deal of money and political capital in its relationship with Cairo. Egypt is the second largest recipient of American aid behind Israel, receiving over $80 billion over the last 40 years.

Yet America’s interests in Egypt have never been more threatened. In fact, the United States could lose the benefits of its long-term investment in Egypt due to the continuing rapprochement between Cairo and Moscow, which seems to have hit a new peak after four years in development. Evidence from the past year indicates that this trend towards cooperation between the two states is significantly more than just a fleeting trend or an attempt by the Egyptians to improve their negotiating position with the United States.

Today, bilateral relations between Egypt and Russia evoke the memories of the Cairo-Moscow relationship during the Soviet era before Anwar Sadat, when Egypt was firmly within the Soviet Union’s political orbit. Despite President Sadat’s reorientation of Egypt’s foreign policy to fit more in line with the policies of the United States and Western nations, this earlier history appears to have provided an appealing precedent for both Cairo and Moscow.

For one thing, Russia is clearly eager to expand its relationships in the Middle East when it senses opportunity. After Russia managed to save its historical ally Assad in Syria and solidify its political, military, and economic presence there, it appears to be seeking benefits of relationships not limited to the Levant. In order to restore the former glories of the Soviet Union in the broader Middle East—one of Putin’s grand aspirations—and threaten Western interests in the region, Syria is not enough. Instead, Egypt’s historical leadership role in the Arab world makes it a particularly appealing partner for the Russian president.

Recent developments in Egyptian-Russian relations also challenge the notion that these close ties are temporary or short-term. To the contrary, evidence shows that relations between Cairo and Moscow are heading towards a strategic partnership that will consequently erode the former’s decades-long partnership with Washington.
Signs of this development are multifaceted, including military, political, and economic cooperation. In the military sphere, Russian President Vladimir Putin and his Egyptian counterpart President Abdel Fattah el-Sisi most recently signed a comprehensive strategic partnership agreement at the Russian presidential palace in the Black Sea resort town of Sochi in October. Sisi has described the agreement as opening “a new chapter in the history of cooperation between Cairo and Moscow.” Just days after signing the agreement, the two countries performed their annual joint military exercises in Egypt, “Defenders of Friendship 2018,” part of a larger deal reached several years earlier. The deal and exercises coincided with the previously suspended “Bright Star” joint military exercises between Egypt and the United States, previously halted during the turmoil of the Arab Spring and only recently resumed.

President Sisi and President Putin also see nuclear power as a venue for cooperation, signing a final agreement in December 2017 to establish a nuclear power plant in northwestern Egypt. Putin characterizes the plant as leading to further cooperation with Egypt and described the Arab state as an old and reliable partner in the MENA region. State-owned Russian firm Rosatom is set to build the plant with a Russian loan worth some $25 billion, marking the largest non(raw)-material export deal in Russia’s history.

Rapprochement between Egypt and Russia has also included significant movements towards greater economic cooperation. Negotiations are still ongoing between Moscow and Cairo for Egypt to join the Eurasian Economic Union—comprised of Russia, Kazakhstan, Kyrgyzstan, Armenia, and Belarus—which would make Egypt its first Arab member. During the same meeting in Sochi, Putin voiced his support for this close economic cooperation. Joining would allow Egypt greater freedom of movement for goods and services with other countries in the Union. Officials from both countries are also negotiating to establish a new Russian industrial area in the Suez Canal Zone with investments of nearly $7 billion.

Politically, Egypt and Russia have adopted nearly identical positions on the conflicts in Syria and Libya. The Egyptian-Russian understanding is best exemplified in their position in the Syrian conflict, which for Egypt is in marked opposition to the position of its American, Western, and Gulf allies. Cairo has fully aligned with Russia’s position in Syria, and in return Russia has helped Egypt become a key player in the conflict. Russia helped coax the warring factions to participate in negotiations in Cairo this past June, including insurgent militias from Eastern Ghouta, Northern Homs, and the Assad regime.

Egypt’s stance on Syria is all the more remarkable for its political repercussions—Egypt’s position has threatened its ties with Gulf allies, which aim to undermine the Syrian regime because of its close relationship with Iran. Egypt first decisively damaged its strategic interests with Gulf nations and the United States when it defiantly voted with Russia (against Saudi Arabia) in a 2016 UN Security Council Resolution. Following the most recent military operation carried out by the United States and its allies against the Assad regime, Egypt’s foreign ministry issued a statement saying that such operations threatened the safety of the Syrian people, failing to mention that the American military operation came in response to the Assad regime’s use of chemical weapons against Syrian civilians.

As for the Libyan crisis, Moscow and Cairo have once again converged through their support of the Libyan National Army led by General Khalifa Haftar. Russia has supported Haftar and provided him with spare military parts and technical advice, contravening the ban on armament imposed on Libya. There have been several, mostly indirect, arms agreements between the two sides, with weapons from Belarus or other countries close to Moscow coming into Libya through Egypt.

These strategic developments in Egyptian-Russian relations have had a significant impact on Egypt’s relationship with the United States, and they should be understood as a direct response to earlier U.S. policies that Cairo found
threatening. Ultimately, the policies of the Obama administration bear the bulk of responsibility for harming Egyptian-American relations: Cairo refuses to forget the position of the United States against its historical ally, Hosni Mubarak, when it pressured him to step down during the January 2011 Revolution. Washington’s constant discussion of democracy and human rights with Egyptians, including linking delivery of aid to Cairo’s progress in these areas, has also made the Egyptian administration more skeptical of its friendship with Washington.

However, the most important matter is Washington’s delay of some arms shipments to Egypt in the midst of the Egyptian army’s battle with the Islamic State in the Sinai Peninsula. While the United States stated that these measures were taken to pressure the new Egyptian government to abide by human rights norms during its security crackdown against opposition elements, most notably the Muslim Brotherhood, Cairo received an entirely different message.

American pressure on Cairo regarding human rights has certainly proven a futile effort at diplomacy: Egypt has been excessively sensitive to any signs of pressure, even in the areas of democracy and human rights. Although any measures to put pressure on the regime could hurt Egyptians in their pocketbooks, this quickly rouses their “national pride.” The regime takes advantage of this by evoking the legacy of colonialism and attempts by the great powers to intervene in Egyptian affairs. In this way, the regime stokes Egyptians’ nationalistic fervor, inflames public opinion, and mobilizes them to keep resisting these attempts at foreign pressure, even in the case of human rights. This strategy has had remarkable success, and has consistently been implemented from the 1952 Revolution until the present day.

Internally, the Egyptian regime interpreted an American shift in support as an indication that they could no longer depend on the United States as a reliable ally, leaving an opening for Russia to secure the needs of the Egyptian army. Thus, 2014 marked the first shift towards Russia through Russia and Egypt’s major arms agreement worth more than $3 billion— a deal funded by the Saudis and Emiratis.

Though U.S. pressures on Cairo began years earlier, the full extent of these repercussions on the US-Egyptian relationship will continue to unfold in 2019. If the United States hopes to redirect the course of this relationship, it cannot rely on its old investments. Rather, if the United States intends to push back Russia, it should use lessons from the recent past to create more stable ties with the largest country in the Middle East, adopting an approach that incentivizes Egypt to change positively instead of pressuring the regime in ways that only pushes it further away. Egypt’s rapprochement with Russia is a result of this very pressure, so a new approach that can incentivize Egyptians to change is essential.

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