Anyone who has watched an Arab summit knows that the Middle East is racked with divisions. The highlight reel from the March 2009 Doha summit leads with a lengthy ad hominem attack by Libya's leader Muammar Qaddafi against Saudi Arabia's King Abdullah, so severe that the Qatari hosts cut the audio feed midstream.

But the fissures run much deeper than personal animosity. The Arab world is embroiled in a cold war, pitting Iranian allies Syria, Qatar, Hezbollah, and Hamas against "moderate" pro-West states like Egypt, Saudi Arabia, and Jordan. The battle-between competing regional visions of moqawama (resistance) and development and coexistence-has been joined in Lebanon, Palestine, and Iraq.

Washington has a clear interest in seeing its allies prevail in this contest and reversing the regional trend toward moqawama being driven by Iran. Slowing Tehran's momentum has proven difficult, however, at least in part because Washington's leading Arab ally, Egypt, has seen its regional influence decline. Tehran has capitalized on Cairo's diminished leadership role, asserting itself in Arab politics. The virtual absence of Egypt as a bulwark against Tehran's militancy has complicated Washington's efforts to promote moderation and check Iran's march toward a nuclear weapon.

But recent developments suggest that Egypt may finally be taking steps to reestablish itself as a counterweight to a resurgent Tehran. On April 8, Egyptian authorities announced the arrest last November of dozens of Hezbollah operatives in the Sinai. The announcement was accompanied by unprecedented Egyptian condemnations of the Iranian-Syrian backed organization and its popular leader, Hassan Nasrallah.

The arrest and subsequent war of words suggest an effort may be underway by moderate Arab states to roll back the increasingly pernicious Persian influence in the Levant.

According to Egyptian sources, the 49-strong Hezbollah cell rounded up in November-which included 13 Lebanese nationals and 2 Syrians-was plotting to attack Israeli tourists at Sinai beach resorts. The agents had been observed, Egyptian officials said, conducting pre-operational planning. Prosecutors also accused these operatives of setting up a surveillance network to monitor shipping traffic in the Suez Canal.

If attacks against Israelis or the canal had come to fruition, there is little doubt they would have done serious damage to Egypt, already suffering the consequences of the global economic downturn. Canal traffic-Egypt's third largest source of revenue-is already down 25 percent this year. And tourism, Egypt's leading industry, is highly dependent on security. Following the 1997 massacre of 58 foreign tourists in Luxor perpetrated by the Islamic Jihad, Egypt tourism fell off an estimated 50 percent, a calamity for the $3.7 billion industry.

Even before the arrests were announced, Cairo had a bone to pick with Hezbollah. During Israeli operations in Gaza this past January, despite pressures, Egypt maintained the Western-advocated policy of isolating Hamas, refusing to open the Rafah border and provide relief for the besieged Palestinian Islamists. Egypt's position was sharply denounced by Nasrallah. In a speech on December 28, 2008, he appealed to Egyptians to challenge their government, and "open the Rafah border crossing with your own bodies." Egyptian foreign minister Ahmed Aboul Gheit described the statement as a "declaration of war."

When the arrests were made public in early April, Nasrallah gave a televised speech on Hezbollah's Al Manar channel, taking the unusual step of claiming responsibility for the operatives. Instead of apologizing for the embarrassing incident, however, Nasrallah was unrepentant, even combative. Contrary to Egyptian claims, he said the cell was instead smuggling arms and explosives to Hamas in Gaza and had no intention of carrying out attacks on Egyptian soil. "If aiding the Palestinians is a crime," he added, "I am proud of it."

The response to Nasrallah's speech in the Egyptian government-controlled media was swift and harsh. On April 12, the leading government daily, Al Gomhuria, attacked Hezbollah as an agent of Iran that undermined Lebanese sovereignty, was responsible for the deaths of hundreds of Lebanese in 2006 after it provoked a war with Israel, and killed dozens of innocents during its May 2008 invasion of Beirut.

Al Gomhuria was particularly pointed in its criticism of Nasrallah, calling the Hezbollah leader a "Monkey Sheikh," and "the son of Qom," who is "not the leader of the resistance" but the head of a "terrorist organization" that is
"an ideological ally of al Qaeda." The editor of the government-affiliated Rose al Yousef magazine added that Lebanon should "surrender [Nasrallah] as a war criminal."

The arrests and the harsh public critiques were an Egyptian warning shot across the bow of Hezbollah's patron Iran. Egyptian-Iranian relations have been tense since the 1978 Camp David Accords. In the aftermath of the Iranian revolution, to Tehran's consternation, Egypt provided sanctuary to the deposed shah; for decades in Tehran, to the annoyance of Cairo, there has been a giant mural of, and a street named after, Khalid Islambouli, the assassin of former Egyptian president Anwar Sadat. More recently, during the January 2009 Israeli military campaign in Gaza, an organization affiliated with the Iranian Revolutionary Guards put a $1.5 million bounty on the head of President Mubarak, which was posted on the website of the Iranian government's Fars news agency.

For Egypt, though, the bad blood is more about the present than the past. Cairo is primarily concerned about Tehran's progress in acquiring a nuclear weapon. There are also indications-such as the accusation against the arrested cell members-that Egypt is troubled about Iranian attempts to "spread Shiism" to the Nile Valley.

These concerns seem to have been behind an Egyptian initiative in late 2007 and early 2008 to improve bilateral relations with Tehran. During a speech to military officers in late April, Mubarak vowed to Iran that Egypt would "uncover all of your plots and respond to your ploys," adding, with a flourish, "beware the wrath of Egypt."

Facing increased economic pressure and an impending period of political transition, it is understandable that Mubarak has described the presence of Hezbollah on its territory as an Iranian gambit to "threaten Egypt's national security and undermine its stability." During a speech to military officers in late April, Mubarak vowed to Iran that Egypt would "uncover all of your plots and respond to your ploys," adding, with a flourish, "beware the wrath of Egypt."

There is little doubt that the arrests enhance Egypt's security. But the round-up of the Hezbollah cell also benefits Egypt with Washington and strengthens Cairo's position in the region. Cairo is looking to improve relations with Washington, and it seems likely that the arrests will earn Egypt credit with the Obama White House.

At the same time, the move against Hezbollah may have been calculated to influence the electorate in Lebanon, where the pro-Western government faces a tight race against the Iranian-backed Hezbollah-led opposition in the June 7 elections. Indeed, Iranian foreign minister Manouchehr Mottaki suggested that the government of Egypt had fabricated charges against Hezbollah cells expressly for this purpose.

One additional but perhaps unintended benefit for the Mubarak regime appears to have been the ill-advised response of the Islamist opposition to the arrests. The Muslim Brotherhood-which came out in support of Hezbollah's efforts to aid Hamas in Gaza despite the violation of Egyptian territorial sovereignty-seems to have misjudged popular sentiment.

The incarceration of Hezbollah operatives by Egypt comes at a critical time, just as the Obama administration is embarking on a controversial policy of diplomatic engagement with Tehran. In the Middle East, Washington's Arab allies are watching closely, concerned that the new president may choose accommodation over confrontation with Tehran. Although it would constitute an unlikely change in U.S. policy, the prospect that Washington may be prepared to live with a nuclear Iran is not a development that Egypt, Saudi Arabia, Jordan, and other moderate Arab states would welcome, to say the least.

Egypt's going public against Hezbollah was a sign that Cairo at least has drawn a red line for Iran. With a little luck, Egypt persist in its willingness to confront Tehran, it could encourage Washington's other regional allies to step up, facilitating international efforts to prevent Iran from attaining a nuclear weapon.

For Washington, Cairo's combative stance is good news that should be encouraged with concrete steps to support Egyptian efforts to counter further Iranian infiltration and subversion. Mubarak's visit to Washington later this month will be a good opportunity to explore how best to pursue this coincidence of interest.

As developments in Egypt suggest, Washington's Arab allies are increasingly concerned about Iranian inroads into the Levant. The preservation of embattled Arab friends should be a key element of U.S. strategy as Washington embarks on its policy of engagement with Tehran. Not only will this strengthen Washington's position at the negotiating table with Tehran, it will ensure that a robust Arab front is in place when the talks ultimately fail.

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