

CASE STUDY

Israeli-Egyptian Gas Cooperation: Significance of Political Domestic Factors

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Abstract

Israeli gas discoveries and the Egyptian energy crisis prompted gas trade talks between the two countries. A letter of intention signed in 2014 gave the impression that Israel would soon supply its neighbor with much-needed energy resources. This development seemed to be an obvious result of the economic and political needs of both states and the recent transformation of the regional international system. Surprisingly, the negotiations became prolonged and were marred by tensions and backtracking. The article aims to present the domestic factors in Egypt and Israel that shape the approach of these countries to mutual energy cooperation and to assess their current and future impact on the energy outlook of the Eastern Mediterranean.

Keywords

gas, cooperation, Israel, Egypt, domestic factors

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Introduction

The twenty-first century's gas discoveries in the East Mediterranean basin have changed the security dynamics in the region and Israel and Egypt have both been fortunate with their maritime drilling. However, while in the case of Israel, exploitation of the Leviathan and Tamar gas fields propelled an actual energy transition, the process in Egypt has lagged behind. Its Zohr reservoir is believed to be the biggest in the region,¹ however, growing energy demands and internal problems make the scale of its exploitation insufficient for the Egyptian economy. This situation prompted trade negotiations after Israel had expressed the desire to export gas to its Arab neighbour. Nevertheless, although the first letter of intentions concerning this trade was signed in 2014, official talks were long and arduous, and for years bore no fruit.

This is puzzling in light of the fact that regional and global circumstances seem to have facilitated cooperation. Increased regional ambitions, the growing political and economic potential of Türkiye, and its more self-assured foreign policy seem to be irreconcilable with the interests of both Arab states – including Egypt and the Gulf Cooperation Council states (except Qatar) – and Israel.² Similarly, the ongoing Israeli-Arab rapprochement (Abraham Accords) put Egypt and Israel on the same side of the general fault lines in the Middle East and North Africa (MENA). Since the Egyptian military coup of 2013, both governments share the perception of regional threats: Islamist revisionist forces (Muslim Brotherhood and Hamas, supported by Türkiye and Qatar), on the one hand, and pro-Iranian forces, on the other.

Strengthening economic ties between the two countries was also supported by their shared key ally – the US. What is more, EU countries, driven by their efforts to diversify energy suppliers, eyed developments in the East Mediterranean, and were ready to get involved in common projects that would secure gas imports from that region. And yet, these favourable circumstances have not translated into swift, streamlined cooperation between Egypt and Israel. Trade negotiations were prolonged and mired by backtracking. The sides finally reached an agreement in 2019 and a year later gas started to flow, but common ventures to export Mediterranean gas to other states (e.g. EU-members) did not materialize until the emergency situation after Russian aggression on Ukraine. The aim of this article is to explain this puzzle.

We believe that while all these systemic factors have fostered closer relations between Israel and Egypt, it is in fact political domestic factors in both countries that have been an obstacle to gas cooperation. This is not to say that there were no objective divergences in the economic interests of the two partners. Regular business

¹ J. Bowlus, "Eastern Mediterranean Gas: Testing the Field," 2020, accessed September 24, 2021, https://ecfr.eu/special/eastern_med/gas_fields.

² G. Aka *et al.*, "The 'New Great Game' in the Eastern Mediterranean," *Israel Affairs* 28, no. 1 (2022): 16–27.

disputes – for instance, disagreements over gas pricing and Egypt's unpaid compensation for the cancellation of the previous Israel-Egypt gas contract – partly account for the protracted negotiations. However, when considering the alignment of other domestic economic interests with system-level political and economic incentives for cooperation, it becomes evident that other factors must have hindered an early agreement. We argue that domestic political considerations in both countries were the most significant barriers to resolving the negotiations. Consequently, the research goals of this article are: 1) to present domestic factors in Egypt and Israel shaping the approach of these countries to mutual energy cooperation, and 2) to assess their current and future impact on the political structure of the Eastern Mediterranean. The article is divided into four sections: the first provides the theoretical basis; the second contains a brief overview of bilateral gas cooperation. The final two parts are devoted to the analysis of the Israeli and Egyptian domestic factors that shaped the negotiations.

State of the art and method

Gas discoveries in the Eastern Mediterranean and their impact on actors in the region have been widely commented on and analysed by scholars and experts alike, and the literature on Israeli energy transformation and its strategic consequences is especially prolific. The most important article that includes the context of Egyptian-Israeli relations is that by Das.³ There are other studies covering energy relations in the Middle East that use middle-range theories, some of which theorize producer-consumer cooperation in terms of dependence or interdependence,⁴ while others utilize IR concepts of energy security or geopolitics to analyse developments in the region.⁵ At the same time a vast majority of the publications have a descriptive character. What is more, the ones that attempt to problematize the issue focus on the international circumstances and consequences of gas field exploitation. For example, Sujata Ashwarya⁶ describes how economic cooperation in the Middle East is driven by political factors and vice versa. Similarly, Dagoumas and Flouros⁷

³ H.J. Das, "Israel's Gas Diplomacy with Egypt," *Contemporary Review of the Middle East* 7, no. 2 (2020): 215–233.

⁴ B. Shaffer, "Natural Gas Supply Stability and Foreign Policy," *Energy Policy* 56 (2013): 114–125.

⁵ T. Kim and S.Y. Shin, "Competition or Cooperation? The Geopolitics of Gas Discovery in the Eastern Mediterranean Sea," *Energy Research & Social Science* 74 (2021): 1–7; R. Salameh and R. Chedid, "Economic and geopolitical implications of natural gas export from the East Mediterranean: The case of Lebanon," *Energy Policy* 140 (2020): 111369; A. Skorek, J. Dyduch and J. Jarzabek, "The Role of Israel's Gas Discoveries in Shaping its Foreign Policy towards the Actors in the Levant Security Subcomplex," *Sprawy Międzynarodowe* 4 (2018); A. Stanić and S. Karbuz, "The challenges facing Eastern Mediterranean gas and how international law can help overcome them," *Journal of Energy & Natural Resources Law* 39, no. 2 (2021): 213–247.

⁶ S. Ashwarya, *Israel's Mediterranean Gas: Domestic Governance, Economic Impact, and Strategic Implications* (New Delhi: Routledge, 2019), 12, 13.

⁷ A. Dagoumas and F. Flouros, "Energy Policy Formulation in Israel Following its Recent Gas Discoveries," *International Journal of Energy Economics and Policy* 7, no. 1 (2017): 19–30.

suggest that positive political relations are a prerequisite for economic cooperation, but at the same time claim that Israel's energy policy is, and will be, based mainly on economic considerations. At the same time, they do not focus on analysis of any particular factors. Kim and Shin⁸ claim that the main factor determining a state's strategy is clarity of ownership. If there are no maritime border disputes between the two actors, then a cooperative approach is likely to prevail. Among articles underscoring the international dimension of the change, some point to the peace dividend and economic cooperation as a path to peace. On this approach, see, for example, Mansfield & Pollins,⁹ Das's work¹⁰ about Egypt-Israel cooperation, and several works on the Eastern Mediterranean dealing with Israel.¹¹ Filippou Proedrou¹² presents relations between the Eastern Mediterranean States through the lenses of geopolitics. The political-energy nexus brings together the USA, Egypt, and Israel and positions them against Türkiye and Russia. It should be noted, however, that Turkish-Egyptian relations have been warming up in recent years; relations with Russia, in turn, are also not unambiguous. Nevertheless, when it comes to decisions of strategic importance, good Egyptian-Turkish and Egyptian relations do not seem to affect Egypt's energy policy and Cairo's "traditional" alliances in this regard.

We intend to contribute to the discussion on the impact of gas on Israel-Egyptian relations in two ways. First, we would like to provide a coherent picture of the domestic political determinants of Egypt's and Israel's approach to energy cooperation, which the literature currently lacks. Second, we think that two IR perspectives dominant in analyses of the Eastern Mediterranean gas discoveries and their political context (neoliberalism and neorealism) fall short in explaining our case study. Both perspectives prioritize system-level considerations, with neoliberalism emphasizing the benefits of economic cooperation. However, this focus proves insufficient for adequately portraying the dynamics of the Egyptian-Israeli gas trade. Given this, we claim that these frameworks of analysis should be substituted by a more broad and inclusive approach, namely, neoclassical realist theory,

⁸ Kim and Shin, "Competition or Cooperation? The Geopolitics."

⁹ *Economic Interdependence and International Conflict: New Perspectives on an Enduring Debate*, eds. E. Mansfield and B. Pollins (University of Michigan Press, 2003).

¹⁰ Das, "Israel's Gas Diplomacy with Egypt."

¹¹ E.g. A. Gürel and L. Le Cornu, "Can Gas Catalyse Peace in the Eastern Mediterranean?," *The International Spectator* 49, no. 2 (2014): 11–33; G. Hetou, "Middle Powers' Crucial Peace Dividend: Networking Development," *Journal of Peacebuilding & Development* 13, no. 1 (2018): 16–31; A. Tal and M.B. Roth, "Reenergizing Peace: The Potential of Cooperative Energy to Produce a Sustainable and Peaceful Middle East," *Energy Law Journal* 41 (2020): 167–210.

¹² F. Proedrou, "A Geopolitical Account of the Eastern Mediterranean Conundrum: Sovereignty, Balance of Power and Energy Security Considerations," *Cambridge Review of International Affairs* 36, no. 5 (2023): 679–696.

as expounded by Ripsman and his colleagues.¹³ They argue (80–86) that states generally act according to stimuli originating from the international system, but that they might be filtered or altered by domestic political factors, which act as intervening variables. The impact of domestic political factors thus combine to induce systemic outcomes in the medium-to-longer term, and the timeframe of Egypt-Israel energy cooperation enables assessment of this level.

Additionally, while neoclassical realism provides the primary theoretical framework for our analysis, we also incorporate elements of securitization theory¹⁴ to account for the role of political discourse and perceptions in shaping leaders' behavior. Securitization theory complements neoclassical realism by emphasizing how issues, such as energy security, are framed and elevated to matters of existential importance, thereby influencing decision-making processes. This dual approach allows for a more nuanced understanding of the interplay between systemic pressures, domestic political factors, and the rhetorical strategies employed by leaders in Egypt and Israel. By combining these perspectives, we aim to provide a more comprehensive explanation of the dynamics underpinning the energy cooperation between the two states.

Consequently, the article may ascertain whether the domestic factors shaping energy cooperation between Israel and Egypt have a lasting impact on the structure of international relations in the Eastern Mediterranean sub-region. Keeping with the abovementioned theoretical framework, we will focus on the following political domestic factors: leader images (in other words, their subjective perception), strategic culture, state-society relations, and domestic institutional arrangements.¹⁵ We will assess the significance of these variables in both countries. Evaluation of the domestic factors and their influence will be based on an analysis of public discourse, including both secondary literature and primary sources (politicians' speeches and official documents).

Israeli-Egyptian gas cooperation

Since the normalization of relations in 1979, Israel and Egypt have continuously sustained their economic relations. What is more, both Egypt and Israel have opened themselves to the globalized market; Egypt after the peace agreement with Israel and infitah reforms, and Israel after the Oslo process, when it gained access to the Asian markets (especially China and India).¹⁶ It is not to say that the relations were

¹³ N.M. Ripsman, J.W. Taliaferro and S.E. Lobell, *Neoclassical Realist Theory of International Politics* (New York: Oxford University Press, 2016).

¹⁴ B. Buzan, O. Wæver and J. de Wilde, *Security: A New Framework for Analysis* (Boulder-London: Lynne Rienner Publishers, 1998).

¹⁵ Ripsman, Taliaferro and Lobell, *Neoclassical Realist Theory of International Politics*, 58–79.

¹⁶ C. Alden and A. Aran, *Foreign Policy Analysis: New Approaches* (New York: Routledge, 2017), 115–117.

especially warm at any given moment. The main reason for that were the domestic factors. The outbreak of the Egyptian revolution (2011) greatly worried the Israelis, because it resulted in the fall of Mubarak and the start of democratisation that could only benefit the Muslim Brotherhood. Thus, the first years after the overthrow of Mubarak were not easy for Israeli-Egyptian relations, since Mubarak was a predictable and trustworthy partner for the Israelis. This was evidenced not only by fruitful economic and energy cooperation but also by deep cooperation in the field of security – in combating terrorist groups (especially in the Sinai Peninsula and the Gaza Strip) and exchanging intelligence. The two countries also pursued a coordinated policy towards the Palestinians in Gaza.¹⁷

During Muhammad Mursi's one-year presidency, there was rapprochement between Egypt and Iran, a weakening of relations with Saudi Arabia, and dangerous demonstrations in front of the Israeli embassy in Cairo, as a result of which the Israeli ambassador had to return to Israel. It was not until a military coup in mid-2013 that calm was restored. The Israeli-Egyptian relations began to improve after Morsi was overthrown in 2013 and Abdel Fattah Al-Sisi came to power in 2014, although the Israeli mission in Cairo was reopened only two years after the military coup in Egypt pushed the Muslim Brotherhood out of power. However, even after this, the Israeli ambassador had to stay outside Egypt for eight months (2016–2017) due to security concerns. As a result, when the Israeli foreign affairs minister visited Egypt in 2021, it was for the first time in 12 years. Nonetheless, outside high-level public diplomatic contacts, Israeli-Egyptian cooperation, especially in the field of security, has intensified since Al-Sisi became the president of Egypt. A further sign of the improvement of these relations was the signing of a number of economic agreements, which included the new natural gas trade deal.

In fact, initially Egypt was the exporter and Israel the importer. The first agreement was signed in 2005 (for 20 years) and covered the sale of Egyptian gas to Israel. Details of the deal have never been made public. Between 2008 and 2012, up to 40% of Israel's gas needs were satisfied by Egyptian gas flowing through the Arish-Ashkelon pipeline. As the deal had been controversial in Egypt (due to the low price and growing domestic demand for energy in Egypt), it was cancelled in 2012 (during the Muslim Brotherhood's rule).¹⁸

The state of Israeli-Egyptian gas cooperation has dramatically changed due to the recent gas discoveries in the Eastern Mediterranean. They created a possibility that Israel would reverse the flow, and supply the Egyptian economy. Israeli gas field operators signed the first deals with an Egyptian company to export natural gas in March and November 2015. Soon, they were put on hold by the Egyptian government

¹⁷ J. Sharp, "Egypt: Background and U.S. Relations," Congressional Research Service, September 30, 2021, 4, 5, accessed November 5, 2021, <https://sgp.fas.org/crs/mideast/RL33003.pdf>.

¹⁸ Das, "Israel's Gas Diplomacy."

because of the dispute over the compensation for the violation of the gas export contract in 2012.¹⁹ The legal barriers were lifted in August 2017 and negotiations on gas deals resumed. In February 2018, a new deal for natural gas exports was signed. It envisioned 15 billion USD worth of gas exports to Egypt, with 64 billion cubic meters of natural gas planned to be pumped over 10 years.²⁰ Finally, in 2019, Egypt agreed to honour the International Chamber of Commerce's arbitration decision and pay 500 million USD in compensation to the state-owned Israel Electric Corporation over 8.5 years for the earlier contract.²¹ Ultimately, the agreement was changed to provide for 85 bcm gas exports worth an estimated 19.5 billion USD over 15 years. After years of disputes and renegeing on signed agreements, the gas started flowing in January 2020.²² Since then the gas trade between the two states has grown steadily reaching 6.27 bcm in 2022. Israel declared that in the next decade, the volume should reach almost 10 bcm a year.²³ The extraction of this fuel stopped after Hamas attacked Israel on October 7, 2023, but resumed after a month. The War in Gaza that followed this event did not impact the energy cooperation in a significant way. According to NewMed Energy, the company extracting Israeli gas, gas exports from that country to Egypt in 2023 increased by 28% from 4.9 to 6.3 bcm.²⁴

When taking into consideration the interests of economic and political elites in Egypt, the most striking one is the role of Egyptian intelligence in the gas deal between Israel and Egypt. In February 2018, an Egyptian company Dolphinus Holdings signed a new contract to purchase Israeli natural gas to supply Egypt.²⁵ The Egyptian officials portrayed this as a private market transaction, however, supported by the government. As the deal caused some controversy in Egypt, it was

¹⁹ O. Winter and E. Razy-Yanuv, "Pipelines to Normalization in the BDS Era. The Natural Gas Deals with Egypt and Jordan as a Case Study," in *The Delegitimization Phenomenon: Challenges and Responses*, eds. E. Yogev and G. Lindenstrauss (Tel Aviv: Institute for National Security Studies, 2017), 79.

²⁰ O. Eran, E. Rettig and O. Winter, "The Gas Deal with Egypt Israel Deepens its Anchor in the Eastern Mediterranean," *INSS Insight* no. 1033 (2018).

²¹ M. Oster, "Egypt to Pay \$500 Million Fine to Israel over Failed Gas Deal," *The Jerusalem Post*, June 19, 2019, accessed September 24, 2021, <https://www.jpost.com/israel-news/egypt-to-pay-500-million-fine-to-israel-over-failed-natural-gas-deal-592974>.

²² A. Lewis and A. Rabinovitch, "Israel Starts Exporting Natural Gas to Egypt under Landmark Deal," *Reuters*, January 15, 2020, accessed September 24, 2021, <https://www.reuters.com/article/israel-egypt-natgas-idUSL8N29K1R8>.

²³ A. Lucente, "Israel to Export More Gas to Egypt as Cooperation Grows," *Al-Monitor*, 2023, accessed October 27, 2023, <https://www.al-monitor.com>.

²⁴ NewMed Energy, "Periodical Review 2023 (in Hebrew)," 2024, 15, accessed March, 2024.

²⁵ Egypt Oil & Gas, "Gains and Risks Beyond the Egypt-Israel Natural Gas Deal," February, 2018, accessed July 23, 2024, <https://egyptoil-gas.com/features/gains-and-risks-beyond-the-egypt-israel-natural-gas-deal/>.

addressed by President Sisi in late February 2018, who defended the venture, which is expected to make Egypt a regional energy hub. The Egyptian president stated at the time that his state's authorities "have nothing to hide on this matter at all (...). We have facilities and infrastructure for handling gas that are not available in many countries in the Mediterranean region (...). We allow companies to import gas and work with it, while we as a state provide facilities and infrastructure in return".²⁶ It is worth mentioning that the Israelis were also pleased with the signed agreement, as expressed by Prime Minister Netanyahu in a recording published on Twitter/X, commenting on the deal as follows: "I welcome the historic agreement that was announced on the export of Israeli gas to Egypt. This will put billions into the state treasury to benefit the education, health and social welfare of Israel's citizens."²⁷

Similar claims from the Egyptian side were made in September 2018 – following a preliminary agreement to acquire a stake in a pipeline between Ashkelon and Arish that would allow natural gas to be transported from Israel to Egypt. This time the Egyptian company involved in the project was East Gas, which was to reap the largest profits from importing and reselling Israeli gas to the Egyptian state. According to Hossam Bahgat, an Egyptian human rights activist, founder of the Egyptian Initiative for Personal Rights, and an investigative journalist with Mada Masr, it was a private company whose majority shareholder was the Egyptian General Intelligence Service (GIS). According to Bahgat, GIS was also a partner in Dolphinus Holdings, the company that had signed the most recent contract to buy Israeli gas. In this way, through a complex network of foreign companies and subsidiaries, the Egyptian intelligence service (subordinated to the militarized regime and the army elite) could control all stages of the agreement, profiting from the shipment of Israeli gas to Egypt to its final sale to the Egyptian government.²⁸

Egypt is fully cognizant of its ever-growing energy needs, although it assumes that part of these will be met from its own natural gas resources. In turn, natural gas imported from Israel is to eventually be liquefied in Egyptian liquefaction facilities, and then resold to other countries, mainly European. Israel, on the other hand, has

²⁶ DW, "فوقاطل ايميلق ازلكرم رصم ل عجي س ل يئارس ا عم زاعل اقافتا: يس س ل", [Sisi: The gas agreement with Israel will make Egypt a regional energy hub], February 21, 2018, accessed July 23, 2024, <https://www.dw.com/ar/فوقاطل-ايميلق-ازلكرم-رصم-ل-عجي-س-ل-يئارس-ا-عم-زاعل-اقافتا-يس-س-ل/a-42683061>.

²⁷ Permanent Mission of Israel to the United Nations, "PM Netanyahu Welcomes Agreement to Export Israeli Gas to Egypt," Mission of Israel to the UN, February 19, 2024, accessed July 30, 2024, <https://embassies.gov.il/UnGeneva/NewsAndEvents/Pages/PM-Netanyahu-welcomes-agreement-to-export-Israeli-gas-to-Egypt-19-February-2018.aspx>.

²⁸ H. Bahgat, "Who's Buying Israeli Gas? A Company Owned by the General Intelligence Service," *Mada Masr*, October 23, 2018, accessed September 25, 2021, <https://www.madamasr.com/en/2018/10/23/feature/politics/whos-buying-israeli-gas-a-company-owned-by-the-general-intelligence-service/>.

assumed that it is able to sell its gas to Europe on its own, which is why it is seeking to construct a pipeline connecting Israel, Cyprus, Greece and Italy. This seemed to be the main potential bone of contention between Israel and Egypt regarding gas cooperation, at least until Spring 2022. However, it also seemed that the incentives for gas cooperation are stronger than the factors undermining it. All the more so as both countries are founding members of the East Mediterranean Gas Forum (EMGF), which became fully operational in March 2021, after its member states (Egypt, Israel, Greece, Cyprus, Italy and Jordan) signed the EMGF charter in September 2020. The Forum is based in Cairo, and the main functions of it are to coordinate energy cooperation and to have a common stance towards Türkiye's energy policy in the Eastern Mediterranean.²⁹

It seems that systemic factors began to prevail in 2022, when the Russian-Ukrainian war broke out, which should be seen as a proxy war between the West (mainly the US) and Russia. This conflict not only highlighted structural international divisions (West vs. East represented by China and countries such as Russia), reminiscent of the bipolar Cold War but also caused two major crises – the energy crisis (mainly in Central Europe) and the food crisis (mainly in the MENA region). These circumstances provided the context for another agreement regulating energy issues in the Eastern Mediterranean, which significantly affects Egyptian-Israeli gas relations. This refers to the agreement signed by the EU, Egypt, and Israel in mid-June 2022.³⁰ The major short-term goal of this deal is to replace Russian fossil fuels flowing to Central Europe after Moscow's invasion of Ukraine. Under the trilateral agreement, Israel will send natural gas through a pipeline to Egypt, where it will be liquefied and sent to Europe by tankers. Another option under consideration was an expensive pipeline project that would connect Israel to Cyprus and Greece.³¹ However, the project faces opposition from the US (on environmental grounds) and Türkiye. The deal means that the EU is keen to quickly increase the supply of Israeli gas from the Eastern Mediterranean (via Egypt). This, in turn, is in line with the policy of Egypt willing to become an energy hub with its natural gas liquefaction facilities.³²

²⁹ M. Sukkarieh, "The East Mediterranean Gas Forum: Regional Cooperation Amid Conflicting Interests," Natural Resource Governance Institute, February, 2021, accessed September 21, 2021, https://resourcegovernance.org/sites/default/files/documents/the_east_mediterranean_gas_forum_regional_cooperation_amid_conflicting_interests_0.pdf.

³⁰ "Memorandum of Understanding on Cooperation Related to Trade, Transport and Export of Natural Gas to the European Union (MoU)," 2022, accessed October 27, 2023, <https://energy.ec.europa.eu/system/files/2022-06/MoU%20EU%20Egypt%20Israel.pdf>.

³¹ S. Helfont, "Turkish-Egyptian Maritime Negotiations: Hype or Substance?," *INSS Insight* no. 1447 (2021), accessed October 18, 2021, <https://www.inss.org.il/publication/turkey-egypt/>; G. Lindenstrauss and P. Gavrielides, "A Decade of Close Greece-Israel Relations: An Assessment," *INSS Strategic Assessment* 22, no. 1 (2019).

³² D. Lieber and C. Deng, "EU Signs Gas Deal with Israel, Egypt in Bid to Wean Itself off Russian Supplies," *The Wall Street Journal*, June 15, 2022, accessed July 20, 2022, <https://www.wsj.com/articles/eu-signs-gas-deal-with-israel-egypt-in-bid-to-wean-itself-off-russian-supplies-11655299886>.

Unit-level factors: Egypt

The issue of images of political leaders in Egypt, which has been an authoritarian state since the beginning of the republic (1953), is related to the president's strong position in the power system and political legitimacy. Most Egyptian presidents, with the exception of Muhammad Mursi and Adly Mansour (civilian presidents in the years 2012–2014) had come from the military, so they were therefore pragmatic rather than ideologically driven politicians. This is particularly the case of Sadat, Mubarak and Al-Sisi, whose military background made them effective, cool-headed, and pragmatic leaders. From this perspective, Israel is perceived by Egypt as a strategic ally of the US (Egypt's main international patron), as well as a reliable partner in the fight against Islamist organisations that threaten the Egyptian regime.³³

Despite its declared intentions, as well as appeals to the idea of pan-Arabism and certain attempts to integrate the Arab world, Cairo's interests have been closely tied to those of the US and Israel since 1979. Foreign ministers built up Egypt's status as a client in patronage relations with the US, which treated Cairo as an emergency peacemaker in Israeli-Palestinian relations and its 'agent' in weakening the Palestinian Hamas. This organization was not completely isolated, however, since the role of mediator on behalf of Egypt was played by the head of the Egyptian intelligence services.³⁴

Regarding institutional arrangements, contemporary Egypt is an authoritarian state, with strong presidential power and a weak 'façade' parliament. This makes it much easier for the president and his entourage to conduct a realistic and pragmatic foreign and security policy. However, when – following Mubarak's resignation in February 2011 – a period of political transition began (reducing internal stability), Egypt's foreign policy started to reflect the public mood, and it was not as pragmatic, as before. Temporary power was assumed by the Supreme Council of the Armed Forces (SCAF), composed of senior officers of the Egyptian armed forces. It was headed by Defence Minister Muhammad Hussein Tantawi, who was the de facto head of state until a new president was elected. From February 2011 until the summer of 2012, this institution was responsible for the foreign and security policy of the Arab Republic of Egypt.³⁵

The first stage of democratisation in Egypt culminated in the presidential election in mid-2012, and the winner was Muhammad Mursi, who represented the Muslim Brotherhood. A year later he was overthrown by the army, which ended the

³³ Sharp, "Egypt: Background and U.S. Relations," Congressional Research Service, 2021.

³⁴ Sharp, "Egypt: Background and U.S. Relations," 2021.

³⁵ International Crisis Group, "Lost in Transition: The World According to the Egypt's SCAF," *Middle East Report* no. 121, April 24, 2012, accessed September 24, 2021, <https://www.refworld.org/reference/countryrep/icg/2012/en/85508>.

short-lived democratisation process. Mursi's one-year presidency saw attempts to redefine Egypt's foreign policy. The president – backed by Qatar and Türkiye – sought to improve Egyptian-Iranian relations, which had remained cold since the late 1970s (Islamic revolution), and included a visit by Mursi to Iran at the end of August 2012. It was the first official visit of an Egyptian leader to the Islamic Republic of Iran and could be seen as threatening the regional order that guarantees Israel's security, as well as the interests of Saudi Arabia and its allies in the Gulf Cooperation Council. An exception in this organisation was Qatar, which – due to its own interests and attempts to become independent from Riyadh – pursued a policy of rapprochement with Iran and supported the Muslim Brotherhood, which was contrary to Saudi policy.³⁶

The authoritarian regime, supported by the instrument of a permanent state of emergency, the facade nature of the parliament, and the subordination of the judiciary to the executive, formed the institutional framework for Egypt's foreign policy. The decision-making centre for this policy is the president, key ministers (foreign and defence), military leadership, and security advisors. With Al-Sisi's ascent to power in 2014, there was a full restoration of authoritarianism in Egypt. Bearing in mind that the state was headed by a representative of the army and its interests, it can be safely claimed that it was the Egyptian armed forces – or more precisely their elites – that became the main beneficiary of the Arab Spring in Egypt. The Egyptian army – due to the suppression of the Islamist opposition (the Muslim Brotherhood – considered a terrorist group) – has since been able to enjoy enormous opportunities for further increasing its power.³⁷ It can therefore be said that Egypt's foreign policy – including towards Israel – is in fact the foreign policy of the Egyptian military regime headed by Al-Sisi.

The military nature of Egypt's authoritarian regime, which has become less competitive during Sisi's presidency (compared to the Mubarak era's semi-authoritarianism), means that responsibility for foreign policy decisions rests with a narrow circle of people – the president, key ministers, security advisers, and the military elite. Parliament, although formally pluralistic, plays no significant role, especially when formulating foreign and security policy.³⁸ However, this does not mean that Egypt's militarized political elite is uninterested in public mood. Egyptians tend to be critical or even hostile towards Israel. Two-thirds of them view the Israeli-Emirati peace agreement in a negative light, and 85% reject normalization

³⁶ E. Ragab, "Tactical Alliance? The Relationship between Egypt under El-Sisi, Saudi Arabia and the UAE," in *Egypt and the Gulf: A Renewed Regional Policy Alliance*, ed. R. Mason (Berlin: Gerlach Press, 2017), 104–122.

³⁷ D.D. Kirkpatrick, *Into the Hands of Soldiers: Freedom and Chaos in Egypt and the Middle East* (London – Oxford – New York – New Delhi – Sydney: Bloomsbury Publishing, 2018).

³⁸ Z. Abul-Magd, *Militarizing the Nation: The Army, Business, and Revolution in Egypt* (New York: Columbia University Press, 2017).

in economic or sporting spheres with Israelis.³⁹ Since an authoritarian regime naturally faces legitimacy problems, pragmatic domestic and foreign policies are accompanied by populist gestures and belligerent rhetoric. The Egyptians are a proud and patriotic nation, respecting their army mainly for the 1973 war, so the political leadership must take account of these sentiments (sometimes turning against Israel rhetorically), while simultaneously pursuing pragmatic policies in the secrecy of cabinets. The Egyptian President, like his closest advisors, is a pragmatic leader, who does not give in to emotions when formulating foreign policy – especially towards Israel. Therefore, the Egyptian president and his military advisors, for whom control of the political system is crucial due to the corporate interests of the army, are not interested in waging wars with their neighbours, although Egypt's rhetoric – especially in the Libyan context or towards Ethiopia – might be quite combative.⁴⁰ In reality, however, war is the last thing the Egyptian army wants. This combination of sometimes aggressive rhetoric and pragmatic behaviour dominates and directs the Egyptian strategic culture.

This pragmatism thus dictates that foreign policy must take into account both the interests of the state and the main interest of the regime. To meet these expectations, the Egyptian authorities correctly read the signs coming from the international environment. Since regime security is at least as important as state security, it is essential for the Egyptian authorities to fight political opponents at home and abroad. The most serious opponents of the Sisi regime, however, are Islamists linked to the Muslim Brotherhood (and their foreign sponsors), which further strengthens the community of interests between Egypt and Israel.⁴¹

The military potential of the Egyptian armed forces is related to the position of the army in the structures of the state and the economy, where the military elite plays a key role. The Constitution of the Arab Republic of Egypt – adopted in January 2014 (amended in 2019) – assumes that the head of state is the head of the Egyptian armed forces. However, the president cannot declare war without consulting the Defence Council.⁴²

During the era of Mubarak's rule, civil businessmen (beneficiaries of economic liberalisation) began to gain a foothold and joined the ranks of the National Democratic Party (NDP), seeing in this an opportunity to build close ties with representatives of the centre of power. Without this, it would not have been possible for them to benefit from the privatisation of state enterprises and agrarian resources.

³⁹ M. Abdelaziz and D. Pollock, "Half of Egyptians Value U.S. Ties, But Few Want Normalization with Israel," 2021.

⁴⁰ Sharp, "Egypt: Background and U.S. Relations."

⁴¹ Sharp, "Egypt: Background."

⁴² M. Lipa, "Informal Politics and the National Democratic Party in Egypt before 2011," *Studia Polityczne* 46, no. 3 (2020): 31–48.

This is how the system known as ‘crony capitalism’ was formed. Egyptian crony capitalism has had both civilian and military components. During Mubarak’s rule, a gradual shift towards civilian ‘technocrats’ could be observed (they were headed by the president’s son – Gamal Mubarak). They later became the new elites of the reformed NDP. To a certain extent, the presidential party acted as a link between selected social groups and the ruling regime, with those in power deciding who would be co-opted into the ruling regime through informal mechanisms of clientelism and crony capitalism. Most importantly, however, the NDP guaranteed Mubarak an advantage in Parliament, which gave him an additional foothold in governance, since its deputies almost always voted in accordance with the president’s directives.

The army has also been expanding its economic empire. However, the so-called ‘new Egyptians’, i.e. the civilian businessmen gathered around the president’s son, posed a certain threat to the interests of the so-called ‘old guard’ – not only the senior members of the NDP, but also the military and their economic interests. Therefore, with Mubarak’s resignation, the Supreme Council of the Armed Forces made sure to weaken this group and partially take their place. The increasing involvement of representatives of the Egyptian armed forces in economic activities (especially for civilian purposes), observed since 2011, generates significant income for the army and the companies controlled by the military elite. An increasing number of infrastructure projects, as well as the supply of goods and services, are carried out directly by the army or its affiliated companies. The fact that the Egyptian army – directly and indirectly (through those associated with it and the intelligence institutions subordinate to the militarized regime) – has extended its control over the economy is evidenced, for example, by the recent Israeli-Egyptian gas deal, since, as explained above, companies linked to the regime have become the direct beneficiaries of this agreement.⁴³

In summary, the leaders’ pragmatic and non-ideological approach to foreign policy, along with strategic cultural reluctance to wage war, positively influence Egypt’s relations with Israel. Domestic institutional arrangements vary with political stability, showing mixed influences, especially during the 2011–2013 transition. The state’s authoritarian nature post-2013 coup facilitates decisive foreign and security policies. State-society relations are also mixed, with the military focused on power and economic interests, counterbalancing the generally negative public perception of Israel. This is illustrated in Table 1.

⁴³ Z. Abul-Magd, “The Egyptian Military in Politics and the Economy. Recent History and Current Transition Status,” *CMI Insight* no. 2 (2013), accessed September 25, 2021, <https://www.cmi.no/publications/4935-the-egyptian-military-in-politics-and-the-economy>; Abul-Magd, *Militarizing the Nation*; H. Kandil, *Soldiers, Spies, and the Statesman: Egypt’s Road to Revolt* (London – New York: Verso, 2014); Kirkpatrick, *Into the Hands of Soldiers*.

Table 1. Domestic factors influencing Egypt's approach to gas cooperation.

	Type of influence	Description of factors
Leaders' images	Mainly positive	Pragmatism of rulers and the lack of ideology in foreign policy Proper reading of signals coming from the international system Perceiving Israel through the prism of its alliance with the United States and security concerns
Strategic culture	Mainly positive	Reluctance to wage war with neighbors – an army interested in preserving political power and expanding its economic interests
Domestic institutional arrangements	Mixed, depending on political stability	During the political transition period (2011–2013), foreign policy towards Israel was less friendly, reflecting public sentiment (Muslim Brotherhood in power) Authoritarianism facilitates foreign, security, and energy policy decisions after the military coup of 2013 The foreign and security policy of an authoritarian state is in fact the foreign and security policy of the ruling regime
State-society relations	Mixed, depending on political stability	The militarized nature of the political regime means that the army is mainly interested in preserving power (regime security) and expanding its economic interests (through unequal competition with the civil companies, that are not privileged under the logic of crony capitalism) Negative perception of Israel by the majority of Egyptians, neutralized by the authoritarian nature of the political regime

Unit-level factors: Israel

There are several domestic factors both facilitating and hindering Israel's energy cooperation with Egypt. Keeping with the typology described above, the perception of leaders has played a positive role. The cooperation that we analyse here unfolded gradually throughout the course of many years and it was a relatively stable period for Israel. Personal factors play a greater role in the short-term perspective, especially during crisis situations.⁴⁴ At the same time, the perception of Egypt that permeated Israeli security and political establishment seemed to shape the debate on gas cooperation. The key person of interest in this regard is the long serving Prime Minister Benjamin Netanyahu, who had an unparalleled impact on shaping the foreign policy of Israel in the last 12 years. The most important element of his 'images' relevant to this study is that of 'moderate Sunni Arab states' that

⁴⁴ Ripsman, Taliaferro and Lobell, *Neoclassical Realist Theory of International Politics*, 61, 62.

frequently appeared in his speeches⁴⁵ (and in fact, speeches of many other Israeli leaders).⁴⁶ The debate over the future use of the gas deposits discovered in Israel's EEZ included arguments about relations with Egypt. The state was presented as relatively pro-Israeli but at the same time vulnerable to internal instability. The tension between popular sentiments and political leadership put the latter in a volatile situation, especially when controversies over the foreign policies they pursued were amplified by economic hardship. Netanyahu claimed that the energy crisis that ensued after the Arab Spring in Egypt would cause severe electricity and water shortages, which would lead to mass protests. Moreover, he claimed that if Israel did not act swiftly in providing much-needed gas exports to Egypt, its Arab partner would turn to Iran to secure supply.⁴⁷ In other words, energy cooperation was perceived as a tool to support a 'moderate', pro-Israeli regime in Cairo and thwart its potential pivot to the anti-Israeli camp. In this way, Netanyahu's 'operational code', his perception of the regional environment, expedited cooperation with Egypt. Consequently, the gas deal was treated by Israelis as an act strengthening 'moderate' Arab trends in the Middle East.

Giving priority to strategic considerations was part of the strategic culture of Israel, and in the case of aiding moderate actors in the region, it expedited the cooperation of Egypt. Simultaneously though, another characteristic of this culture threatened it. Israel has always based its policy on the notion of self-reliance and limited trust in foreign partners. It is deeply embedded in the tragic chapters of Jewish history but also a continuing sense of existential threat that cannot be subdued otherwise than with military means.⁴⁸ In the case of energy policy, it was strengthened by a long history of unreliable energy suppliers, who severed energy cooperation with Israel due to political reasons (oil trade with Iran in 1979, gas trade with Egypt in 2012). This should also be read in the context of widespread securitizing narratives in Israeli public debate.⁴⁹

This element of strategic culture manifested clearly during the public debate on the exploitation of the gas deposits discovered in the East Mediterranean. Israeli

⁴⁵ "Netanyahu in exclusive interview: Arab world 'changing' its position on Israel," CTV News, 2014, accessed May 15, 2024, <https://www.ctvnews.ca/politics/netanyahu-in-exclusive-interview-arab-world-changing-its-position-on-israel-1.1643322>; See for example an early example of this approach in Netanyahu's interview for CTV News, 2014: "the Arabs are changing. The Arabs, many of them, sometimes openly and sometimes in corridors and whispers, they say, 'Israel is our friend'."

⁴⁶ Y. Benziman, "Netanyahu's Attempt to Delink Israel-Arab Relations from the Palestinian Issue," 2018, accessed September 17, 2021, <https://mitvim.org.il/en/publication/netanyahus-attempt-to-delimk-israel-arab-relations-from-the-palestinian-issue>.

⁴⁷ E. Rettig, "Obstacles to Israeli Natural Gas Development," in *Global Energy Debates and the Eastern Mediterranean*, eds. A. Idan, H. Tzimitras and H. Faustmann (Nicosia: Friedrich-Ebert-Stiftung, PRIO, Centre Atlantic Council, 2016), 63.

⁴⁸ N. Petrelli, *Israel, Strategic Culture and the Conflict with Hamas: Adaptation and Military Effectiveness* (New York: Routledge, 2018).

⁴⁹ A. Lupovici, "The Limits of Securitization Theory: Observational Criticism and the Curious Absence of Israel," *International Studies Review* 14 (2014).

establishment has always perceived their country as an ‘energy island’ disconnected from the regional network of pipelines and energy cooperation.⁵⁰ Although Israel has never experienced an actual energy crisis, the pressure to obtain energy independence (at least electricity and heat production) was very strong. Proponents of this approach (experts, parliamentarians, and NGOs) claimed that there are too many uncertainties to accept exporting energy resources (Israel’s needs in the decades to come, the actual volume of reserves, predictability of potential trade partners). They often used geopolitical rhetoric pointing at the political profit from being independent of foreign gas sources and free from the negative impact of external factors (Egypt’s failure to fulfil its gas export commitments was cited in this context).⁵¹ Their proposal envisaged earmarking gas output for the national economy for decades to come and limiting its export. At the time of gas discoveries, the law did not place any limits on energy resources export. In 2011, the so-called Tzemach Committee was appointed to enquire, among the other tasks, if this situation should be changed. The body recommended assigning almost half of the reserves for domestic needs. The government of Israel raised this quota to almost 60% of the estimated gas reserves which was supposed to guarantee consumption for 27 years.⁵² The decision adopted by Israeli government limited the volume of exports but finally enabled gas trade with Jordan (in 2017) and Egypt (in 2020). In May 2021 inter-ministerial committee recommended increasing the quota.

The strategic culture of self-reliance manifested also in reservations concerning the usage of Egyptian LNG infrastructure for exporting Israeli gas to third countries (mainly Europe). Experts claimed that this solution might be the most viable economically, but due to security concerns, this scenario did not find favour in Israel. The Tzemach Committee report clearly supported an ‘absolute preference for the export of Israeli natural gas from an export facility (offshore or onshore) in an area under Israeli control’.⁵³ It remains an important hindrance to advancing cooperation with Egypt. Another issue deeply embedded in the Israeli strategic culture is giving precedence to the value of ‘resoluteness’ in foreign policy. Firm and open pursuit of national interests without regard for other actors’ reservations is popularly seen as the only strategy effective in the Middle Eastern environment.⁵⁴ This factor might have

⁵⁰ N. Sachs and T. Boersma, “The Energy Island: Israel Deals with its Natural Gas Discoveries,” *Foreign Policy at Brookings, Policy Paper* 35 (2015): 2, 3.

⁵¹ I. Fischhendler, “The Use of Intangible Benefits for Promoting Contested Policies: The Case of Geopolitical Benefits and the Israeli Gas Policy,” *Geopolitics* 23, no. 4 (2015): 935–942.

⁵² Ashwarya, *Israel’s Mediterranean Gas: Domestic Governance, Economic Impact, and Strategic Implications*, 5–7; Sachs and Boersma, “The Energy Island,” 6, 7, 11–13.

⁵³ Tzemach Committee, “Recommendations of the Inter-Ministerial Committee to Examine the Government’s Policy Regarding Natural Gas in Israel, Executive Summary,” 2012, 17, accessed September 18, 2021, https://www.gov.il/BlobFolder/reports/ng_committee/he/main_recommendations_Tzemach_report.pdf.

⁵⁴ A. Lupovici, *The Power of Deterrence: Emotions, Identity, and American and Israeli Wars of Resolve* (Cambridge: Cambridge University Press, 2016).

added to Israel's intransigent stance in gas negotiations with Egypt and impeded the reaching of a compromise.

At the same time, the primacy of strategic thinking was seen in the public debate in the arguments that gas exports might be used as political leverage over other actors in the Middle East and beyond. Using gas cooperation as a strategic tool was prevalent in the early stages of the negotiations with Egypt, but could have also been discerned more recently. The Israeli Energy Minister put it bluntly: "Our ability to export gas, in a controlled manner, (...) is a great diplomatic weapon that strengthens Israel's position in the region, and the world."⁵⁵ Domestic institutional arrangements had a mixed impact on Israeli policy. On the one hand, the process of policy formulation and implementation in Israel is centralized and streamlined, which helps confidence building and predictability in relations with Egypt. The key decisions are taken within the narrow 'state security cabinet'. The role of the prime minister in the cabinet has increased, which was best manifested in combining prime minister and foreign affairs minister posts by Benjamin Netanyahu (2012–13, 2015–2019). The role of parliament was marginalized during energy policy formulation.⁵⁶ The main platform of public debate on gas discoveries was public hearings before expert committees⁵⁷ that played an advisory role to the government. On the other hand, the role of regulatory bodies should also be mentioned. The energy sector in Israel is, to a great extent, privatized and the development of the gas fields is managed by private entities. Israel's Antitrust Authority raised monopoly concerns because of the Noble-Delek consortium's dominant role in developing all of Israel's significant gas fields, practically monopolizing gas supplies to Israel in the process. Finally, the company agreed to sell off some of its holdings. Another institution that played a role in forming the final Israeli gas policy was the Supreme Court. Several decisions of the government concerning gas reserves were challenged in court. Issues that had to undergo judicial scrutiny include: the new resource royalty, restrictions on gas exports and government's formal commitment not to change the legal framework concerning gas companies for ten years.⁵⁸ The Supreme Court, along with the Israeli anti-monopoly body blocked some of the government's decisions, which postponed resource extraction. For example, forging a legal framework for gas reserve exploitation and trade prolonged the process of the Leviathan gas field development (it was discovered in 2010, and commercial production started on Dec 31, 2019).

⁵⁵ A. Rabinovitch, "Israel energy minister backs more natural gas exports," August 2, 2023, accessed July 24, 2024, <https://www.reuters.com/business/energy/israels-energy-minister-favors-more-natural-gas-exports-2023-08-02/>.

⁵⁶ A. Tsinovoi, "The Sacred, the Secular, and the Profane: Introducing Agamben's 'Profane Philosophy' to Security Studies and the Case of Israel's Natural Gas Discoveries," *Journal of International Relations and Development* 22, no. 1 (2019): 215–242.

⁵⁷ B. Shaffer, "Israel's Energy Resource Management Policy: Lessons For Small Markets," *Energy Law Journal* 37, no. 2 (2016): 331–350; Ashwarya, *Israel's Mediterranean Gas: Domestic Governance, Economic Impact*, 72.

⁵⁸ Ashwarya, *Israel's Mediterranean Gas: Domestic Governance*, 7, 78–80, 88–107.

Another factor that should be taken into account is state-society relations. Israel is a democracy. Although there are deep internal divisions in its political system, there is also a long-standing tradition of wide support of the major parties for the main directions of foreign policy. In this regard, there were no significant factors from this category that would significantly inhibit the government's ability to advance gas deal with Egypt. The public debate on the energy policy was extensive and open, which gave the decisions democratic legitimacy. There were discordant voices in the political spectrum, but the mainstream agreed on the general characteristics of the legal framework for gas reserves exploitation. Environmentalists' criticism of fossil fuel use in general, which might have derailed plans for energy export, was balanced by the market actors' aspiration to profit from the energy trade. Indeed, we could have seen the Israeli government advancing the interests of the private companies involved in gas discoveries. As Krampf⁵⁹ claims 'governments that are interested in promoting exports would tend to create alliances with employers and particularly with exporters (...), state-market linkages can be a highly effective governing tool in certain circumstances, despite the fact that they are inconsistent with the liberal principle of the rule of law and fairness'. This pro-export approach was also in line with some international trends (mainly in the USA and EU). Market competition in the gas market was seen as an ideal model for managing this resource even though this model has been adopted only in a few states.⁶⁰ Competition and breaking down monopolies were also slogans adopted by the mass social justice protests that Israel witnessed in 2011. This neoliberal trend also facilitated energy trade with Egypt though it does not appear to have had a dominant influence (which can be demonstrated by, e.g., Israel's unwillingness to use Egyptian LNG infrastructure to increase the economic viability of gas export).

To sum up, internal factors had diverse impacts on Egyptian-Israeli cooperation with Israeli strategic culture being the main hindrance to the swift execution of gas deals (Table 2).

Conclusions

Among the four groups of intervening variables at the national level proposed by neoclassic realists strategic culture seems to have the most significant impact on Israel's foreign policy formulation. Self-reliance and aversion to interdependence stymie cooperation with Egypt. Leader perception has a secondary role, reinforcing positive systemic stimuli. Despite attempts to securitize the issue of gas in Israel, we cannot really discern extraordinary policies in this regard that would have a significant influence on the relationship with Egypt. Gas cooperation is clearly politicized, but is not currently perceived as crucial for the survival of the state.

⁵⁹ A. Krampf, *The Israeli Path to Neoliberalism: The State, Continuity and Change* (New York: Routledge, 2018), 17, 18.

⁶⁰ Shaffer, "Israel's Energy Resource Management Policy," 345–348.

Table 2. Domestic factors influencing Israel's approach to gas cooperation.

	Type of influence	Description of factors
Leaders' images	Positive	Perception of Egypt as part of 'moderate axis'
Strategic culture	Mainly negative	Limits on exports Reluctance to use Egyptian LNG infrastructure Unyielding approach during negotiations
Domestic institutional arrangements	Mixed	Strong leadership of Prime Minister Judiciary and regulatory bodies delaying final decisions
State-society relations	Not significant	Open public debate on the policy formulation – democratic legitimacy Environmental protests Support for the private companies involved in gas discoveries

In the case of Egypt, we need to differentiate between the two distinct periods of Egyptian politics, which were also relevant to Israel: the era of democratic transition (2011–2013), and the era of restoration and consolidation of authoritarianism (from 2014 onwards). The impact of domestic factors on Egyptian foreign policy evolved with time, and changing stability and character of the regime. When a period of political transition began after Mubarak's resignation in February 2011 (which meant a reduction in domestic stability), Egypt's foreign policy began to reflect public sentiment to a greater extent and was no longer as pragmatic as before. Indeed, the first stage of democratization in Egypt culminated in the presidential elections in mid-2012, in which Mursi, representing the Muslim Brotherhood, won. During his one-year presidency, attempts were made to redefine Egyptian foreign policy, which negatively affected Israeli-Egyptian relations. A year later, he was overthrown by the military, which stopped the democratization process, and in effect, relations between the two countries began to improve.

Since 2014, the main domestic factor of Egyptian foreign policy (also in its economic and energy dimensions) has been concerns with 'regime security', which can be ensured by strengthening strategic cooperation with major global and regional actors who are able to externally support the Egyptian regime – economically and politically. Egypt's main external patrons include the US, France, Russia, Saudi Arabia, the United Arab Emirates, and Israel, with whom Egypt shares many common interests (mainly in the security field), but also the same foes and friends. Due to the authoritarian nature of the Egyptian regime, anti-Israeli sentiment among the population is not currently an important factor in Egypt's foreign policy. Much more important are the interests of the regime-linked economic elite, which is active in the energy industry. The interests of the regime thus overlap with those of the

state in the sense that Egypt seeks to become an energy hub in the region, which is possible through Israeli-Egyptian gas cooperation.

In other words, domestic factors had a mixed impact on the gas trade between Israel and Egypt. The negative ones stymied the cooperation, but in the end, they did not stop it completely. Positive internal factors combined with external factors may further consolidate the new architecture of the Middle East Security Complex, that is, strengthen the alliance of pro-American actors in the region – Israel and the so-called moderate Sunni states. Gas cooperation may be further strengthened by the mutual positive image of the political elites of the two states, which may consolidate the new security architecture in the Eastern Mediterranean (Israel, Egypt, Greece/Cyprus vs. Türkiye, Hamas, Muslim Brotherhood). The new evidence that seems to confirm this direction is a recent Egyptian-Israeli agreement to deepen gas cooperation by opening a new export route running through Jordan.⁶¹

Before 2022 the key factor shaping a new phase of Egypt-Israel cooperation in the energy dimension has been the gradual change in the regional international system, so the process of deepening inter-Arab and inter-Muslim patterns of enmity was gradually expediting Israeli-Egyptian ties. It should also be added that the COVID-19 pandemic has resulted in economic decline and lower energy demand. This situation inhibited the development of gas projects in the Eastern Mediterranean, too,⁶² but it is hard to predict its medium- to long-term consequences. However, the most important systemic (global) factor that emerged in the first half of 2022 turned out to be the Russian-Ukrainian conflict, and its impact on the international system and the policies of the great powers. This means that the accumulation of systemic (regional and global) factors has caused a synergistic effect on the foreign policy of both countries, strengthening cooperation in gas relations, while weakening the inhibiting domestic determinants. The simultaneous occurrence of such strong systemic (regional and global) pressures, coupled with the fact that only some internal determinants inhibited the deepening of Israeli-Egyptian gas cooperation, meant that inhibiting internal factors were neutralized by favourable systemic determinants.

Data availability

No data are associated with this article.

Reporting guidelines

Paper adheres to appropriate reporting guidelines and community standards including *Data preparation guidelines*.

⁶¹ S. Elliot, "Israel Approves New Route for Gas Exports to Egypt via Jordan," *S&P Global Commodity Insights*, 2022, accessed September 25, 2022, <https://www.spglobal.com>.

⁶² International Institute for Strategic Studies (IISS), "Geo-economics and Israel's Gas Exports in the Eastern Mediterranean," *Strategic Comments* 26, no. 6 (2020): 10–12.