EGYPT'S RELATIONSHIP WITH THE SUPERPOWERS

1970-1976

by

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ABSTRACT

During the mid-nineteen seventies, Egypt, under President Sadat, embarked on a major shift in foreign policy, moving from a position of exclusive dependence on the Soviet Union and the Communist bloc to one of exclusive dependence on the United States and the Western bloc. Four basic explanations of this reorientation are examined: first, that it was simply a reaction to Soviet behavior; second, that it was might be resolve Egypt's territorial and security problems; thirdly, that it was undertaken to meet Egypt's massive economic needs; finally, that the motivation was primarily ideological.

After examining each of these explanations in turn, the study concludes that the change in policy was largely Egyptian-initiated rather than reactive in character and that territorial-security and economic considerations were the major determinants. However, the shift would not have been as extensive nor as rapid if it had not been for ideological considerations. Finally, it remains to be seen whether the shift has served Egypt's national interests or whether the country would have benefitted by a return to a more balanced relationship with the Superpowers.

RESUME

Au milieu des années 1970, l'Egypte, dirigée par le président Sadate, entreprit une réorientation majeure de sa politique étrangère, se détachant de sa dépendance exclusive de l'Union Soviétique et du bloc communiste au profit d'une position similaire face aux Etats-Unis et à l'Ouest. Cette volte-face est étudiée selon quatre explications essentielles: premièrement, ce geste peut être interprété comme une simple réaction face aux agissements soviétiques; deuxièmement, il peut être perçu comme la solution aux problèmes de territoire et de sécurité de l'Egypte; troisièmement, il peut être mû par les besoins économiques massifs de l'Egypte; enfin, il peut avoir répondu principalement à un motif idéologique.

Après un examen respectif de chaque explication, l'étude conclut que le changement de politique suivît en grande partie une initiative égyptienne, plutôt qu'une simple réaction du pays; de plus, les questions économiques, territoriales, et de sécurité en furent les facteurs déterminants. Cependant, ce sont des considérations idéologiques qui permirent d'atteindre l'étendue et la rapidité particulières de ce changement. Enfin, il s'agit d'établir si ce renversement entretint l'intérêt national égyptien, ou bien si l'Egypte eût bénéficié d'un retour à une relation plus équilibrée face aux superpuissances.

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Table of Contents

· · · · · · · · · · · · · · · · · · ·	f 4	ţ	Pages
Introduction	, ,	• • • • • • • • • •	1- 14
Chapter One:	The Reactive	Explanation	15- 99
Chapter Two:	The Territoria Explanation	al Security	100-169
Chapter# Three:	The Economic	c Explanatio	on170-248
Chapter Four:	The Ideologic Explanation	cal	
Conclusion	• • • • • • • • • • • •	• • • • • • • • • •	,307-325
Bibliography .			326-331

INTRODUCTION

Between 1973 and 1976 a major shift occurred in Egyptian policy toward the superpowers. During this period Egypt, under President Sadat, moved from a position of exclusive dependence on the Soviet Union and the Communist bloc to one of exclusive dependence on the U.S. and the Western bloc. Why did this shift occur? What caused President Sadat to reduce and eventually cut Egypt's ties with the Soviet Union? Why did he move from exclusive dependence on, and alignment with, one superpower to a similar relationship with the other superpower instead of to a position of non-alignment and balanced dependence? Certainly this shift deviated from the basic foreign policy ideal in the Third World and indeed from Egypt's stated policy during the 1950's and 1960's. These are some of the questions I will attempt to answer in this thesis.

Four basic arguments can be advanced to explain this shift. First, that it was simply a reaction to Soviet behavious; second, that it was undertaken to resolve Egypt's territorial and security problems; thirdly, that it was undertaken to meet Egypt's massive economic needs; finally, that the motivation was primarily ideological. Each of these explanations will be examined in turn.

A) THE REACTIVE EXPLANATION:

This argument assumes that the shift in Egypt's foreign policy was largely a reaction to Soviet behaviour rather than a move initiated by President Sadat himself, in the light of Egyptian needs and objectives. In other words, so the argument goes, if it had not been for the Soviet Union's unhelpfulness and even unfriendliness toward Egypt and toward Sadat himself, Egypt would still have significant ties with the Soviet Union, although perhaps not the exclusive dependence which existed before.

For this explanation to be valid, two things would have to be demonstrated. The first is that the shift in Egyptian policy began only after there had been indications of Soviet coolness or unfriendliness toward the Sadat government. These manifestations could include such behaviour as the refusal to provide the same level of aid as to President Nasser, refusal to provide the aid which they were capable of, coolness toward Sadat himself and an apparent preference for an alternative leadership. The second is that the manifestations of such coolness or unfriendliness would have to be significant enough to justify such a substantial change in policy.

After Sadat came to power, there were three factors contributing to a cautious Soviet policy in regard to his government. First, detente was becoming of vital importance to the U.S.S.R. and 4t was deemed crucial by Moscow to restrain clients lest their actions lead to confrontation with the U.S. Moreover, the Soviets probably feared that' Nasser's heirs, in an attempt to gain legitimacy and popular acceptability, might resort to a premature military action against Israel with harmful consequences for the Egyptian armed forces, the internal situation, and Soviet influence Second, the power transition in Egypt following ? Nasser's death seemed to indicate the weakening of Moscow's friends among the elite and the possibility of their removal, which actually took place a few months later. This perception, which triggered uncertainty and apprehension in Moscow, necessitated a cautious approach towards Sadat and the use of pressure on him to influence outcomes. Undoubtedly, the Soviets were trying to protect and enhance their substantial interests and investment in Egypt. there was the latent feature of 'testing resolve' between The former sought a new client-leadership and its patron. increased autonomy, especially on crucial foreign policy issues, while the latter strove for greater influence in

this relationship. In this respect, we will discuss the nature of the Soviet-Egyptian alliance and the correlation of events which led to the conclusion of the Soviet-Egyptian Treaty of 1971.

While these factors were influencing Soviet policy and there were some manifestations of Soviet coolness or unhelpfulness early in the Sadat period, it remains to be seen, whether these preceded or followed changes in Egyptian policy. Thus, on the domestic front, in his first few months in power Sadat lifted all exceptional measures imposed by Nasser, on counter-revolutionary forces and purged the whole Nasserite establishment. Externally, he courted the 'conservative' actors of the Middle East, opened a dialogue with the U.S., secretly expressed his willingness to terminate the Soviet advisors' mission in Egypt, and forcefully opposed the establishment of a communist regime in the Sudan. . Moreover, even if Soviet coolness did contribute to Sadat's shift, the question remains as to whether it can explain the full extent of the shift.

B) THE TERRITORIAL-SECURITY EXPLANATION:

This argument, and the two others which follow,

assume that the shift in Egyptian policy can be explained largely not by Soviet behaviour but rather by Egyptian needs and objectives. They further assume that President Sadat would have embarked on his new course anyway regardless of how the Soviet Union behaved. In this view, Soviet behaviour may have intensified President Sadat's determination to shift direction but it was not the basic cause of this move.

This particular explanation stresses the enormous costs for Egypt and the Sadat regime of the country's territorial-security problem. It was, in fact, one of the two most pressing problems facing Egypt in the early 1970's. The occupation of a substantial portion of Egyptian land and the seeming inability to do anything about it were a continuing humiliation for the country and the regime. The proximity of Israeli forces in Sinai and the repeated penetration of Egypt's defences accentuated the security issue and made the resolution of the conflict of paramount importance. The economy had suffered serious setbacks and was faltering under the burden of an awesome military expenditure. Internal unrest had developed in protest against the regime's impotence to restore Egypt's integrity and pride as well as against war-related economic

conditions. Given these circumstances, President Sadat felt himself under considerable pressure to resolve this territorial-security problem.

According to this argument, President Sadat perceived that Egypt, aided by the Soviet Union, was in no position at this point or in the foreseeable future to resolve this problem by military means. Under optimum conditions it could, as it did during the October War, initiate military action which would unfreeze the diplomatic situation. However, Egypt could not hope to win back its territory by defeating Israel militarily. These calculations raised serious questions about continuing to depend exclusively on the Soviet Union, since this relationship was useful mainly for the military assistance which it provided.

Since it seemed impossible to resolve the conflict satisfactorily through military means, Egypt's main hope lay in a diplomatic solution. Here the role of the U.S. was absolutely crucial. It was Israel's principal backer and the main factor in her military superiority over Egypt. It was also the only power in a position to exert meaningful pressure on Israel. If only the U.S. could be neutralized or won over to Egypt's side, a diplomatic solution would become possible. Hence, from this perspective, the U.S. was perceived by Sadat to be potentially much more

useful to Egypt than the Soviet Union could ever be. In Sadat's view it held 99% of the cards to any resolution to the Middle East conflict. If Egypt was to successfully win the backing of the U.S., it would in his view have to cut back sharply on its ties with the Soviet Union and develop close links with the U.S. In fact, he felt that non-alignment or balanced dependence would probably be insufficient to get the necessary U.S. backing. It would undoubtedly require quasi-alignment with the U.S.

The two disengagement agreements which were concluded with Israel after the October War enhanced the perception of Sadat that only the U.S. was able to achieve quick and tangible solutions to the Arab-Israeli conflict. This increased his willingness to meet U.S. requirements for an active American role in the Middle East by alienating the Soviet Union from the peace process, if not from the whole region. From this perspective then, the territorial-security question would be the major factor explaining Sadat's decision to radically alter Egypt's policy toward the superpowers.

C) THE ECONOMIC EXPLANATION:

This argument stresses the seriousness of Egypt's

economic situation as the main factor accounting for the reorientation of its foreign policy. With scarce resources and a population explosion, Egypt lived in constant economic turmoil. In 1976, her per capita income was only \$280 and an analyst categorized it in the Fourth World; another referred to the country as the 'Bangladesh' of the Middle East. Yet, the ailing economy was to sustain, for more than six years, a war effort of \$143 million monthly, in addition to a system of food subsidies which amounted to \$650 million in 1975. President Sadat has reminded us time and again that the Egyptian economy had reached the 'zero point' on the eve of the October War in 1973 and that Egypt was about to be declared bankrupt in 1972 over its failure to meet a one million dollar payment Egypt's faltering economy was thus the other pressing problem confronting President Sadat. The Learch for external aid became one of his major preoccupations. The Soviet Union and the Communist bloc generally did not seem in any position to meet Egypt's substantial economic Their own economy was in relatively poor condition and they were limited in the amount of financial resources they could generate for foreign aid purposes. Total Soviet economic aid to Egypt between 1954 and 1972 amounted only

to \$1,198 million and the pattern of this aid did not include financial facilities but rather was committed to projects of long-term turn over. President Sadat came to the conclusion that to overcome the economic impasse. Egypt needed massive foreign investment and modern technology and that the private sector should be encouraged to increase productivity. It was estimated that Egypt. could start its economic revitalization if she was ableto mobilize a flow of aid of the order of \$4-5 billion annually. Sadat repeatedly said that the Egyptian economy needed a blood transfusion' to indicate the seriousness of the situation and he called for an Arab Marshall Plan and a Carter Plan to revive the economy. This conclusion was reinforced by several deadlocks in the socialist economic system and by a simple comparison between the limitations of Soviet economic capabilities and those vast capabilities of the West.

A return to a policy of balanced dependence on both East and West would be of limited use. It would not attract as much economic aid from the West, and the U.S. in particular, as Egypt's needs required. The economic policy that seemed likely to produce the maximum amount of external aid was one of close relations with the U.S.

Such a policy was expected to bring not only large amounts of aid from the West but also from the pro-western oil-producing states, especially Saudi Arabia. This new economic perspective was certain to antagonize the Soviet-Union, which had vested interests in retaining the socialist, economic system in Egypt.

The economic explanation builds on the argument that the economy has been for decades a decisive determinant of Egypt's foreign course not only because of her eagerness to obtain external resources but also because her own limited resources are largely conditioned by external factors.

D) THE IDEOLOGICAL EXPLANATION:

According to this argument, apart from any other factors, President Sadat had also developed an affinity for Western type systems for their own sake and this too contributed to the reorientation of Egyptian foreign policy. This affinity supposedly stemmed from two factors. The first was a judgement that a socialist-type economic system had serious defects and was the source of many of Egypt's ills. A Western-type economic system, it was felt, tended to encourage more initiative and productivity and in general be more efficient. From this perspective,

the only way Egypt's economy could be revived was through economic liberalization. The second factor is that, beyond any consideration of the relative economic efficiency of the two types of system, Sadat seemed_convinced that Egypt would be best run by a certain class of persons, mainly from the bourgeoisie. There is compelling evidence that Sadat felt a great deal (of affinity with this social segment, although he strove to hide it under the label of national reconciliation and democratization. main drive behind Sadat's orientation may have been his need to build his own power base after he failed to forge a modus vivendi with the leftists and the Nasserites at the outset of his regime; the natural ally in this power struggle was the bourgeoisie. For these reasons then, President Sadat initiated major changes in Egypt's economic and social systems and in the character of the ruling elite. Leftist and new middle class elements with vested interests in socialism were pushed aside while the neo-bourgeoisie grew increasingly prosperous and influential.

the Soviet Union, it is argued, was found to react in a hostile fashion to these developments, thereby making balanced dependence impossible. Secondly, once Sadat had decided to proceed with these internal changes, it made much more sense to develop close relations with the West to the detriment of the Soviet Union. For as long as the Soviet Union still maintained its influence in Egypt, it would be in a position to impede or even reverse these developments through its support for elements who were opposed to them.

CONCLUSION:

In this thesis, each of these explanations will be analyzed in turn in the light of President Sadat's statements and Egypt's behaviour. In testing these explanations we will concentrate primarily on President Sadat's perceptions and motivations. This is necessary given the preeminent role of the leader in Egypt in the process of decision-making and the tendency to personalize policies sometimes to the detriment of national interests. Some of Sadat's vital decisions in foreign policy were arrived at without a proper process or even consultations with top aides.

Personalization of policies could lead in some cases to

the mixing of national interests and sub-national interests.

Sadat came to say «My people, my country, and my peace initiative» 1 and in time he became the father of the land, the head of the whole Egyptian family. This phenomenon of personalization of policies is usually synonymous with Third World polities «characterized by low political institutionalization», 2 where effective opposition rarely exists. Foreign Minister Fahmy once explained how Sadat reduced his top aides to spectators:

«The decision in Egypt is a totalitarianpresidential one...it is the domain of the President only...there is no policy system in Egypt as one would (scientifically) think...The President is the first and final decision-maker.»³

Testing our explanations will be done with a view to determining the role and relative importance of each factor in the major reorientation of Egypt's foreign policy which occurred between 1973 and 1976. Finally, in the Conclusion, an attempt will be made to assess the benefits and costs of the new policy in comparison with the other options which were open to Egypt at the time.

- 1. Bahgat Korany & Ali Dessouki et al, The Foreign Policies of Arab States, (Boulder and London, Westview Press, 1984) p. 132.
- 2. Ibid.
- 3. Ismail Fahmy, interview in Al Ahram Al Iqtisadi, #718, October 18, 1982,

CHAPTER I.

THE REACTIVE EXPLANATION

INTRODUCTION

This argument assumes that the shift in Egypt's foreign policy was largely a reaction to Soviet behaviour rather than a move initiated by President Sadat himself in the light of Egyptian needs and objectives. In other words, so the argument goes, if it had not been for the Soviet Union's unhelpfulness and even unfriendliness toward Egypt and Sadat himself, Egypt would still have close ties with the Soviet Union, although perhaps not the exclusive dependence which existed before.

After Sadat came to power, there were three factors contributing to a cautious Soviet policy in regard to his government. First, detente was becoming of vital importance to the U.S.S.R. and it was deemed crucial by Moscow to restrain clients lest their actions lead to confrontation with the U.S. Second, the power transition in Egypt following Nasser's death, seemed to indicate the weakening of Moscow's friends among the elite. This perception, which triggered uncertainty and apprehension in Moscow, necessitated a cautious approach. Third, there was the latent feature of 'testing resolve' between a new client-

leadership and its patron. The former sought increased autonomy especially on crucial foreign policy issues while the latter strove for greater influence in this relationship. While these factors were influencing Soviet policy and there were some manifestations of Soviet coolness or unhelpfulness early in the Sadat period, it remains to be seen whether these preceded or followed changes in Egyptian policy.

For this explanation to be valid, two things would have to be demonstrated. The first is that the shift in Egyptian policy began only after there had been indications of Soviet coolness or unfriendliness toward the Sadat government. In other words, who triggered the cycle of action/reaction and why? Did the Soviet Union - in a sudden situational change - try to capitalize on, and exploit the new situation? Or was it Sadat who tried to distance Egypt from its Soviet patron? We will try to establish how this cycle began and who started it. second point to be demonstrated is that the manifestations of such coolness or unfriendliness were significant enough to justify such a substantial change in policy. manifestations sould include such behaviour as the refusal to provide the same level of aid as to President Nasser, a refusal to provide the aid which they were capable of,

coolness toward Sadat himself, and an apparent preference for an alternative leadership.

An analogy could be made here between Soviet transactions with Nasser and with Sadat, especially in areas of armament - and diplomatic support. Was the Soviet Union's frustrating behaviour confined only to Sadat or was it part of a consistent Soviet diplomatic conduct? Were Soviet attitude's of unfriendliness motivated by Soviet dissatisfaction with -Sadat personally and the preference for another leadership? If so, did Moscow apply pressure in that direction or instigate subversive actions in Egypt? Furthermore we will try to assess some reactions adopted by each side, in. comparison to their actions, to determine whether the response was genuine or part of a premeditated policy designed to achieve certain goals. In this respect, an evaluation of Soviet support extended to Egypt, especially between 1971 and 1973, could be of some help to determine Soviet attitudes and behaviour.

The argument will be dealt with in two phases; the first will cover the period from 1970 to 1973 and the second from 1973 to 1976. The reason for this delineation is that the first phase contains the seeds of differences, the causes for disagreement, and the saliency of Egypt's national cause as a straining factor in Soviet-Egyptian relationship. The second phase is actually the manifestation

and demonstration of Sadat's shift after Egypt's national cause was partly addressed and the need for Soviet support receded.

First Phase: The Test of Resolve, 1970-1973:

The importance of this phase is that it contains the seeds that plagued the Soviet-Egyptian alliance. It was marked by an intensity of events and a test of resolve between patron and client, as each side tried to assert its privileged position within the alliance.

Egypt's defeat in 1967 had undoubtedly altered the pattern of the Soviet-Egyptian relationship. Prior to 1967, this pattern was based on a model of cooperation between a Third World country and the Soviet Union with a commonality of interests derived mainly from notions of anti-imperialism and wars of liberation. As the defeat forced Egypt to become exclusively dependent on Soviet arms and economic aid, this pattern evolved into a model of dependency which coincided with serious systemic evolutions at the global level; i.e. the advent of detente and waning of the cold war under which the Third World had long prospered. The Superpowers, since the early sixties, had been searching for grounds for mutual cooperation rather than mutual destruction, even at the expense of minor allies as we will discuss later. The effect

of detente on the Soviet-Egyptian alliance after 1967 was Notions of anti-imperialism, wars of liberation, considerable. even ideology, which earlier forged the commonality of interests between Egypt and the Soviet Union, were losing their glamour to global calculations. Thus, when the pattern of Egypt's dependency took shape, the U.S.S.R. came to possess all the instruments to affect Egyptian policy, while Egypt came to lose most of its leverage to influence Soviet For example, in 1968, when the Soviet Union invaded Czechoslovakis, Nasser, contrary to his long-standing policy against hegemony, refrained from condemning the Soviet action and even allowed articles 'supporting the invasion to appear. This passive response resulted in a serious rift between Nasser and his long time non-aligned comrade, President Tito of Yugoslavia, who opposed the invasion. 1

Nasser was aware that even unconditional support for Soviet policies was not enough to secure the latter's unreserved support for Egypt's war intentions. He was also aware that developments in the international system had altered Soviet priorities towards the Middle East, pushing it behind European security, Cuba, and Vietnam. With its vital interest in detente and avoiding war with the U.S., the Soviet Union became increasingly apprehensive of war in the Middle East lest it result in a world confrontation. Thus,

while the struggle to liberate the occupied territories came to dominate Egypt's priorities, it was becoming rather peripheral to Soviet concerns:

«Not only was the (Arab-Israeli) dispute peripheral to Soviet objectives in the area, but an outbreak of war could have been directly counter-productive by high-lighting the U.S.S.R.'s inability to intervene decisively on the Arab side, beyond the supply of weapons.»3

To overcome the divergence of interests between Egypt and the Soviet Union, Nasser had sought to deepen Moscow's involvement in the Middle East armed conflict. To this end, he convinced Moscow to become Egypt's spokesman in global level diplomacy and gradually persuaded it to become physically engaged in combat by inviting Soviet advisors and pilots to operate in Egypt. Nasser's Soviet policy between 1967 and 1970 achieved considerable success and; despite the constraints of the international system, Soviet military aid to Egypt reached substantial proportions; hours after Egypt's defeat in June 1967, the Soviet Union started a massive arms transfer operation to replace its losses in the war. This operation consisted of 500 air-lifts and 15 ship loads which amounted to 50 thousand tons of hardware free of charge. Soviet military aid to Egypt continued throughout 1968 reaching a climax in 1969, when Egypt in one year alone received the equivalent of what it received over the twelve

years between 1955 and 1967.6

In January 1970, the two allies signed an impressive arms deal which included, for the first time, the sophisticated SAM missiles; in July of the same year, the Soviet Union provided Egypt with advanced electronic war-systems and upgraded its arsenal of missiles. The financial terms of these arms deals were of a lenient nature, as the Soviet Union agreed to charge only half the price of the provided weaponry. This was to be repaid over a period of 40 years with a long grace period and interest rates ranging between 2% and 2.5%. By the beginning of 1971, Egypt's unpaid military debt to the Soviet Union amounted to LE 4500 million.

Despite the impressive size and nature of Soviet arms transfers to Egypt between 1967 and 1970, the Soviet-Egyptian alliance experienced tensions and differences. The more Egypt's alternatives to solve its national cause narrowed to war, the more apprehensive the Soviet Union became that this option might lead to a major confrontation with the U.S. or at least another defeat for Egypt with all its possible ramifications. These Soviet concerns were reflected either in delaying arms' deliveries or in denying Egypt sophisticated weapons to match the ever growing Israeli arsenal.

During the three years prior to his death, it took

Nasser three visits to Moscow, and one by Sadat as Vice President,

to try to convince the Soviet leadership to be more forth-coming on these issues. During his visit in January 1970, Nasser strongly criticized Soviet arms policy and threatened that unless Egypt's arms requests were met, he would concede power to some other leader who could reach an agreement with the U.S. As he angrily told Brezhnev:

«Let me be quite frank with you. If we do not get what I am asking for everybody will assume that the only solution is in the hands of the Americans...But as far as I can see, you are not prepared to help us in the same way that America helps Israel...I shall go back to Egypt and I shall tell the people the truth. I shall tell them that the time has come for me to step down and hand over to a pro-American President.»11

Brezhnev's reply to Nasser's statement reflected the Soviet dilemma between backing an ally who might initiate war and its own overwhelming interest in preserving world peace.

He told Nasser;

«We are the strongest power on earth. But you must understand that this will involve a considerable risk, and I don't know that we are justified in taking it. We must weigh up our position.»

This dilemma continued to haunt Soviet policy during Nasser's time and after his death. A substantial body of literature written by first hand participants in Soviet-Typytian transactions indicate Nasser's awareness of the Soviet dilemma and his efforts to draw the Soviets to his side. 13

However, the differences within the Soviet-Egyptian alliance were not a matter to be easily settled, since the interests of the allies, especially in the Middle East context, were divergent:

«The bargaining between allies will also be affected by the heterogeneity of their particular interests. Each ally may see the principal threat to its interests in a different quarter, so that a crisis arising with one opponent over a certain issue may directly engage the particular interests of one ally but not at all those of the other.»14

The ailments of the alliance were further exacerbated by Nasser's sudden death in late 1970, which presented the Soviet Union with both a dilemma and an opportunity. The dilemma stemmed from the fact that in a highly personalized decision-making system like Egypt, it became uncertain whether the 'new leader' would follow in the steps of his predecessor. 15 This particular fact must have increased Soviet concern for their investment and influence in Egypt of over more than two decades. To the Soviets, Sadat presented an ideological enigma since, for all his prestigious titles under Nasser, he had only nominal power and was not known as a political activist. 16 He had never either identified himself with the mainstream of Nasser's socialism nor showed any ideological inclination except his dispute _ with Khrushchev over communism in 1961. 17

Soviet fears of a possible military adventure by Egypt should have increased to alarming proportions by the mere change in the Egyptian leadership. It was feared that the new leader, who inherited a volatile internal situation, might resort to a military action against the enemy to gain legitimacy and popular acceptability. These fears were promptly raised by Kosygin on the very day of Nasser's funeral:

«Kosygin had two main grounds for anxiety that Nasser's heirs might be divided, their
rivalries giving reactionary elements a
chance to regain power; and that, partly
perhaps as a result of these rivalries, the
new leaders of Egypt, whoever they were,
might try to prove themselves by rushing
into a new battle with Israel. So he
repeatedly warned against 'divisions and
adventurism.'»18

Kosygin, on the same occasion, did not hesitate to remind, the Egyptians that Soviet troops were operating on Egypt's soil, an implication of the complexity of the situation at the global level.

We don't want to interfere in your plans, but don't forget that our troops are here in Egypt. We have a community of blood, as well as a community of interests. This is very important, and something that you must always take into consideration.»

Sadat added to Soviet concern when he, as early as

November 1970, committed himself not to extend the ceasefire

on the Suez Canal front beyond its expiry date at the

beginning of February 1971. ²⁰ The same concern was repeated by Podgorny when he visited Egypt in January 1971 to attend the celebrations of the completion of the High Dam. ²¹

Nasser's death also presented the Soviet Union with an opportunity however; for despite his defeat in 1967 and his subsequent dependence on the U.S.S.R., he remained a solid barrier to a possible complete Soviet intrusion in Egypt.

That was mainly due to his stature in the Third World and his long standing policy against foreign domination. But the emergence of a relatively weak president – at least by virtue of his novelty and his dire need for external political support – might have generated the opportunities for increased Soviet domination over Egypt.

To diminish the dilemma and exploit the opportunity, the Soviet Union adopted a cautious approach towards Sadat's Egypt, especially with the high probability of a power struggle between Nasser's heirs. In doing so, the Soviet Union - as a Superpower - disregarded as irrelevant to its interests, at least in the short run, whatever pressure of time its client might be subjected to. This cautious attitude manifested itself in the slowdown of arms shipments to Egypt and served Soviet interests in three major areas: first, to hinder whatever tendencies might be entertained by the new Egyptian leadership to engage in a war against Israel;

second, to use it as effective leverage on the new Egyptian regime if it showed a tendency to deviate and to establish Soviet preponderance irrevocably in Egypt; third, it would be a sign of good faith to the U.S., as detente was gathering momentum.

As for Sadat, he emerged at an awesome moment dominated by a legacy of occupation and humiliation, along with a deteriorating socioeconomic situation generated largely by the state of war with Israel. He did not have the luxury of time to build his power base inside the country, or to project his image abroad, for he had to address the national cause in the first place. He knew from his experience of the internal politics of the country that the 'battle' with Israel had become the raison d'être of the regime and the mandate of the leader. Later, after several diplomatic setbacks, the 'battle' took a tragic dimension in Sadat's perception:

*The new man at the helm, less sure of himself, less entitled to his position, would say, as he did during a meeting with his generals, that there was no other choice but to fight, that it was a matter of survival: to be or not to be. *24

Thus it came imperative for Sadat from the very first moment of his presidency to continue military preparedness, either to bring about a successful battle against Israel

or to persuade it to accept an honorable political settlement. This was reinforced by the fact that Nasser had left the scene with a full military plan to cross the Suez Canal and liberate Sinai. The execution of the battle plan awaited the arrival of certain vital Soviet equipment and D-day was set for the end of 1970 or the beginning of 1971; 25

«Two items in particular were a source of constant anxiety - one was the bridges necessary for a crossing of the Suez Canal, and the other the lack of a fighter-bomber capable of matching the Phantoms which Israel now possessed.»²⁶

Even with Egypt's need for constant arms shipments as well as political and diplomatic support, Sadat was not ready to accept the role of a mere dependent on the Kremlin. On the contrary, he demanded to be treated as an equal and not be held to account for policies that might antagonize his ally:

«They (the Soviets) should take us as we are. We refuse guardianship and we refuse any other interference and we want to work on an equal level.»27

The problem with the Egyptian leadership - either Nasser or Sadat - was the tendency to view the Soviet-Egyptian alliance from the angle of the American-Israeli relationship. This approach narrowly focused on the benefits each client was receiving from its patron, without discussing the homogeneity of interests of each alliance. While the American-Israeli

alliance was based on almost identical interests and values, which seemed to guarantee maximum durability, the SovietEgyptian relationship lacked similarity of interests. This approach tended to ignore the disparity in resources between the Superpower and the propensity of each for agression; as Foreign Minister Ismail Fahmy has reflected on the SovietEgyptian alliance:

Any objective evaluation of this relationship, which extended over a period of more than 20. years, would lead to the simple conclusion that the Soviet leadership had taken a very cautious and conservative attitude towards Egypt, while it should have followed the opposite policy. Instead of taking advantage of the extraordinary opportunities offered by two decades during which the United States had virtually no presence in Egypt, the Soviets had quibbled on every point, creating tensions...To make it clear what I meant, I made a comparison between the military, political and economic aid which Washington permanently and almost automatically extended to Israel, and Soviet aid to Egypt.»²⁸

Sadat was initially aware of Soviet reservations towards Egypt's military option and the effect of this attitude on arms deliveries. In an attempt to allay Soviet fears and suspicions, during his first visit to Moscow as President in March 1971, he offered to sign 'anything' with the Soviets:

*.....I see our future tied to the future of the Soviet Union. I am ready here and now to sign anything the Soviet Union wants me to sign. I know that my real enemy is the U.S. and Western imperalism. But on the same occasion, Sadat demonstrated his will to remain independent, when he overruled the earlier approval of Vice-President Ali Sabri that the Ilyushin bombers provided to Egypt would operate only upon orders from Moscow. Sadat told the Soviet leaders:

«I am the head of an independent country, and I can't surrender any part of my independence of action.» 31

Despite this initial awareness of Soviet reservations and suspicions, Sadat's early moves and actions, both on the domestic or international levels, were not of a reassuring nature to Soviet concerns. Some of these actions might have been forced upon him by events but some were undoubtedly on his own initiative. He might not have intended by these actions to antagonize the Soviets but in the course of his activity he ignored the sensitivity of the Soviet-Egyptian alliance when some of his moves directly impinged on Soviet interests.

On the domestic level, Sadat came to power with a tendency to reconciliation with the regime's opponents. He - a long time observer of internal interaction - clearly read the discontent of the potential bourgeois segment with Nasser's radical policies and socialism: As events will reveal, he sought to use this segment as his own power base to balance the powerful Nasserites. His tendency became clear in

appointing as Prime Minister in October 1970, Dr. Mahmoud Eawzi, a veteran diplomat and a well known moderate.* This appointment in particular *had been opposed by (Vice President) Ali Sabri and others whom the Russians had come to look upon as their special friends inside the Egyptian government.» 33 In appeasing the right, and in a clear signal of deviation from Nasser's socialism, Sadat - in the first month of his presidency -'abolished the laws of sequestration and exceptional measures imposed during Nasser's reign. Significantly, the decree abolishing these laws and measures was prepared, circulated, and enforced in the span of one hour, despite the discontent of the Nasserites. 34 The hastiness of this action indicated that it was not so much a part of a national reconciliatory policy as a manifestation of deviation. The abolition of these laws and measures was not even explicitly demanded by the bourgeoisie or the landlords.

The conflict between Sadat and the Nasserites escalated in the spring of 1971, when they sought to curb his deviating tendencies by suggesting that one of their leaders - Interior Minister Shaarawy Gomaa - should replace the moderate Prime Minister Dr. Fawzi, but Sadat adamantly refused. 35 In

^{*} Dr. Fawzi was the first 'civilian' Prime Minister in 16 years.

another attempt to contain these tendencies, the Nasserites used the issue of the Confederation of the Arab Republics in April to veto Sadat's policies and to demonstrate their power. The issue was discussed in the Central Committee of the ASU where Sadat managed to mobilize the rightist forces and to prevail. The showdown between both sides gathered momentum by the end of April and, in reference to the Nasserites, Sadat in his May 1st speech, attacked the 'centres of power'. The next day, he dismissed Vice-President Ali Sabri and on May 14 he purged the whole Nasserite establishment.

To pacify the Soviet reaction to his internal moves against Moscow's friends, Sadat informed the Soviet Ambassador beforehand of his intentions; but the size of the purge on May 14 suggested that it was not a power struggle as much as a coup de grace against Nasser's heirs and legacy. The number of people imprisoned or removed, either from the ASU or the People's Assembly, exceeded all proportions. Significantly, in the cabinet that followed, the anti-Soviet General Mohammed Sadeq was appointed War Minister. Sadat was aware that his actions against the Nasserites were not a matter of peripheral concern to Moscow and that they might result in further Soviet reservations, as he correctly assessed:

«The clearly obvious fact is that ever since the May 1971 Revolution, the Soviets were reserved in their cooperation with us. Their secret plans were based on non-cooperation with me. They were only trying to keep up the outward appearance of things until a change favourable to them would occur.»

Later on he charged that the Soviets viewed his emergence to power with dismay and would have preferred another president:

«Ever since I assumed the Presidency,
in Egypt, the Russians were displeased;
they wanted another President.»39

There is no evidence however, that the Soviets tried to affect the outcome of the power struggle between him and the Nasserites or that they tried to intervene on behalf of his internal enemies even after they were sentenced to harsh penalties. In fact, the initial Soviet reaction to these substantial changes was confined only to the citing - by the Soviet New Times - of the editorial of the Beirut daily Al-Nahar, which reflected anxiety:

*(T)he recent developments in Egypt had disturbed the Arab nation and had aroused anxiety among the masses at a time when the decisive clash with the enemy requires the mobilization of the forces and the unity of the revolutionary leadership in the face of the American-Israeli plot***

On the international level, Sadat's moves and actions were more alarming to Soviet interests, as they indicated a deviation from Nasser's policy; but, most important, they

demonstrated Sadat's will to act independently in the Middle East conflict. As early as November 1970, Sadat was actively forging a rapprochement with Saudi Arabia, the staunch enemy of communism in the Middle East and strong American ally and friend. 41 Sadat undoubtedly needed and sought to increase Arab financial support to Egypt but he also valued Saudi Arabia as a key channel to Washington. The Saudi rapprochement came to a head in June 1971 with the visit to Egypt of King Faisal, Nasser's long time rival and adversary. At the same time, Sadat took pains in accommodating Libya - which then was adopting unfriendly policies towards Moscow - by admitting it to the Confederation of Arab Republics declared on April 17. These policies were clear indicators that Egypt was moving from the progressive Arab camp, valued by Moscow, to the conservative one.

The most alarming move for Soviet interests was Sadat's efforts to open a direct dialogue with the U.S., thus depriving Moscow of its role as Egypt's spokesman in the global arena and tampering with Soviet interests in the Middle East. The Soviets were aware that a direct dialogue between Egypt and the U.S. would result automatically in excluding them from Middle East diplomacy:

«The Russians must have realised as well
as we did that the Americans had left

just one gap in the circle round Egypt, and that if Nasser could be lured into it, and concede that a Middle East settlement could only be reached with American assistance and on American terms, one consequence would be that the Soviet Union would be left completely out in the cold.»42

Sadat's efforts to open a direct dialogue with the U.S. were not an innovation in Egyptian foreign policy, for Nasser had done the same by directly appealing to the American President in May 1970 to actively help in a process of a political settlement. But unlike Nasser, who consulted the Soviets before accepting the Rogers' Plan, 43 Sadat ignored the prerequisites of policy coordination on vital issues with his allies and astonished them by presenting his first peace initiative of February 1971 without adequate warning. Apart from the element of surprise, the initiative carried the seeds of a partial solution with Israel, an approach the Soviet Union vehemently opposed. Sadat was aware of the impact and sought to mollify. them by dispatching to Moscow, on the same day of the initiative, Interior Minister Gomaa with a message that his initiative «was in response to Soviet wishes to extend the ceasefire on the Suez front and urging the need to stand up to the «unholy alliance between the enemies of progress, liberty, and peace.» 44 In the meantime, Sadat signalled to the Americans his true intentions of distancing himself from

the Soviet Union, as he instructed Heikal to inform them:

«The President asked me to point out to the Americans that this initiative was entirely his own and owed nothing to Russian prompting.» 45

Sadat's American approach was not confined to direct diplomacy but also used the Saudi connection to persuade Washington. Both the Americans and the Saudis were watching the presence of the Soviet advisors in Egypt with great anxiety and made clear their preference to expel them. early as November 1970, Kamal Adham, brother in law of King Faisal and head of the Saudi Intelligence Service, visited Cairo secretly. At the top of his agenda was the Soviet presence in Egypt and how much it was alarming the Sadat told Adham: «I would not only bring in Americans. the Russians - I would bring in the devil himself if he could defend me. » But, as Heikal elaborates, «...if the first phase of Israeli withdrawal were completed, he could promise that he would get the Russians out. Kamal Adham asked the President if he could pass this on to the Americans and the President said he could. But the President's remarks were leaked by Senator Jackson, presumably to create bad blood between Egypt and the Soviet Union. *46 These remarks undoubtedly annoyed the Soviets and the frequent visits of Kamal Adham were not a reassuring indicator to them, as they told Sadat during his first visit to Moscow



in March 1971.47

The American response to Sadat's peace initiative and efforts for a direct dialogue resulted in the visit of Secretary Rogers to Cairo on May 4, two days after the dismissal of Moscow's friend, Vice-President Ali Sabri, and a few days before the purge of the Nasserites. Again, no prior consultation on Rogers' visit took place between the two allies and, while Egypt built hopes on the visit, it was strongly attacked by Moscow in a clear indication of dismay. 48

As we argued before, some of Sadat's actions which antagonized the Soviet Union were forced upon him, such as the power struggle between him and the Nasserites. But most of his actions were genuine initiatives, such as his peace initiative in February 1971 and the subsequent dialogue with the U.S. He could have avoided provoking Soviet suspicions by coordinating positions with them, since the Soviet Union had never objected to a peaceful solution in the Middle East. Instead, Sadat relegated Moscow to a mere arms dealer which should not be concerned with diplomacy. Moreover, the peace initiative and the Rogers visit were not - from a Soviet perspective - isolated actions, especially if added to the Saudi rapprochement and internal politics.

Apart from Soviet arms policies of delaying and denying - which could be a passive reaction to Sadat's policies - the

first major Soviet reaction came at the end of May 1971, when Podgorny arrived in Cairo with the Text of the Soviet-Egyptian Friendship Treaty almost ready for signature. Despite the fact that it was Sadat who offered to sign 'anything' with the Soviets in March 1971, and the Soviet leaders who rejected the offer, the goal of Podgorny's visite was not discussed between the two allies before his The sudden Soviet move indicated Soviet anxiety over Sadat's possible deviation but demonstrated as well Soviet heavy-handedness in dealing with a distressed client. It came in the midst of significant internal changes and, most importantly, in the wake of the first round of the first direct encounter between Egypt and the U.S. in more than three years. Sadat objected to the timing of the Soviet move as being so close to the Nasserites' purge 49 but, in fact, he was objecting to the impact of the Soviet move on his foreign course, as we will see later.

The signing of the Treaty didenot help cure the ailments of the Soviet-Egyptian alliance, for each party perceived the Treaty as an instrument to achieve its particular goals. While the Soviets considered the Treaty as a means to curb Sadat's deviation and to commit him to the acceleration of Egypt's social transformation, Egypt viewed it as an explicit Soviet commitment to its war efforts. The Treaty was not

followed by any consultation between the two sides; hence the alliance continued to operate within the pre-Treaty framework. In other words, Soviet reservations towards Sadat persisted, while his tendency for independent actions continued.

The post-Treaty period witnessed another round in the test of resolve between patron and client; this round was initiated by Sadat soon after the conclusion of the Treaty, when he declared that 1971 would be the 'year of decision' in the Arab-Israeli conflict. In fact, the term was first coined by Secretary Rogers in his messages to Foreign Minister Riad in January 1971, when the former urged that 1971 should be the decisive year in achieving peace in the Middle East lest the chance would be missed for several years. 50 The term appealed to Sadat, who started using it as a means both to induce an active American role and to pressure the Soviet Union for more arms. Sadat's hopes of an American role started to fade during the summer after he realized that the U.S. was asking for further concessions beyond his February peace initiative, while in the meantime escalating military support to Israel. 51 Consequently, Sadat sought to use the 'year of decision' as /a ploy to pressure Moscow either to get more arms or to place responsibility on it if he

failed to initiate war; for the Soviet-Egyptian Treaty was justified to the masses as the ultimate means to increase Egypt's military capabilities. 52

Meanwhile, Sadat participated in a regional event which further deepened the rift in the Soviet-Egyptian alliance. In July 1971, a communist coup in Sudan was foiled with the help of Libya, Egypt's ally. The Soviet Union solicited Sadat's help to prevent the execution of prominent Sudanese communist leaders and to stop the purge of the Sudanese Communist Party but to no avail. Sadat told Boris Ponomarev, the Soviet envoy who arrived in Cairo for that purpose:

"I am sorry to say that any trace of Marxism has no place in our area."53

The Soviet reaction to Sadat's attitude during the Sudanese event was, as expected, further delay in arms shipments and ignoring his messages in that respect:

«My attitude to the Sudan coup caused
the gap between me and the Soviet
leaders to widen. Throughout July,
August, and September, all I could
receive in answer to my messages
(concerning weapons) was that they
were away in their Crimean summer
resort.»54

To add to Soviet suspicions, <u>during</u> that same period Sadat returned to the issue of the Soviet advisors in Egypt, this time in the Central Committee of the ASU.

His remarks were certain to provoke Brezhnev's anger and dismay:

«Somebody reported to them (the Soviets) a discussion in the Central Committee of the Socialist Union in 1971 when the President, in answer to questions about Soviet experts, said: 'Do you think I want to keep them? We need them to give us protection in depth, but they are a burden to us because we have to pay for them in hard currency.' Brezhnev was extremely annoyed when he heard this and sent a message to President Sadat asking if he thought the Soviet experts were mercenaries.»55

By the end of September, Pravda seized the opportunity of the anniversary of Nasser's death to attack, in a subtle way, Sadat's policies of deviation:

«It is no secret that the reactionary
elements in Egyptian society would like
to forget the course aimed at unifying
the progressive anti-imperialist elements
which had been pursued by the late
President.» 56

The freeze of the American overture and the delay of Soviet arms caused Sadat to become the victim of his self-created system of pressure; i.e. the 'year of decision'. Domestically his waning popularity was certain to diminish further if he failed to meet expectations aroused by the repetition of his promise. On the international level, his credibility would be questioned if, after causing a great deal of confusion, he failed to make good some of his threats. 57 To diminish his dilemma

and drag the Soviet Union into responsibility for the year of decision, Sadat, at the beginning of October 1971, requested a visit to Moscow.

Sadat's October 1971 visit witnessed a frank exchange between the two allies. What was clear during this visit was the fact that the Soviets were trying to assert their leadership of the alliance. Brezhnev questioned Sadat about his intentions and goals in declaring the year of decision. The Soviet concern over the issue reflected anxiety about a military adventure, suspicions of an Egyptian-American deal, and finally the refusal of a superpower to be dragged without its consent into undesirable situations. replied that he was convinced that if 1971 passed without a solution in the Middle East, this solution would become even more remote in 1972, since it was an election year in the U.S. 58 Furthermore, the Soviet leaders were even more frank in demanding explanations of Sadat's rapprochement with the Saudis and his increased contacts with the Shah of Iran. 59 Brezhnev did not hide his dismay at anti-Soviet trends in Egypt when he reminded Sadat of Egypt's huge debts to the U.S.S.R. borne by Soviet workers and peasants, while «it is not by chance that the Egyptian radio and television showed tendencies that would weaken the friendship. between the two countries.»

It would be useful at this stage to reflect on Soviet arms policy towards Egypt during 1971 to determine the degree of Soviet coolness towards Sadat and of their unfriendly attitudes, if they existed. Though Soviet arms deliveries, and hence their timetable, are still a guarded secret in both Moscow and Cairo, we will try to present a picture of Egypt's military capabilities during this particular year. War Minister, General M. Fawzi purged in May 1971 - asserts that these capabilities exceeded those of Israel and that Egypt was in a position to launch a successful assault against the enemy as previously planned. 61 According to Fawzi, the balance had tilted in Israel's favor only by 1972-1973. 62 Heikal stated that Nasser gave orders to General Fawzi to prepare for operation Granite 1, which was to provide for crossing the Suez Canal and pushing to the Sinai passes; 63 the operation hinged on obtaining bridging equipment from the Soviet Union. 64 not known whether the Soviet Union had or had not delivered this equipment during 1971 but in the course of his meeting with the Supreme Council of the Armed Forces (SCAF) in October 1972, President Sadat, in reference to the March 1971 arms deal with Moscow, told his generals:

«I consider the equipment provided by them (the Soviets) in March 1,2(1971) could have enabled us to enter another round in favor of the battle and the country.» 65

Moreover, Foreign Minister Riad detailed an account presented by General Greshko during Sadat's visit to Moscow in October 1971, to the effect that Egypt and Syria combined had supremacy over Israel by a ratio of 2 to 1⁶⁶ in quantitative terms of personnel, tanks, artillery and air-defense missiles, and even in the number of jetfighters. However, there were certain differences between the Egyptian military and the Soviet military about the degree of arms' sophistication in both the Egyptian and the Israeli arsenals and how to overcome the inferiority of some Soviet weapons.⁶⁷

Meanwhile, the results of the visit were significant despite Sadat's allegations to the contrary. An arms deal was reached which included, for the first time, new generations of jetfighters and missiles which required further training and assimilation, as General El-Shazly indicated:

«The October agreement stipulated that arms were to be delivered by the end of the year. They were, but not with enough time for us to train our pilots and navigators (to start war before the end of 1971).68

But, as a matter of habit, Sadat blatantly denied receiving these arms:

«There was no sign of anything(arms)
throughout October and November. I
summoned the Soviet Ambassador, sent

messages to the Kremlin, and so on, but received no reply whatsoever.

Another result was an apparent decrease in Soviet reservations toward the Sadat regime and its war intentions; consequently, Soviet cooperation and assistance in the military field were increased from October 1971:

«Our relationship with the Soviet Union
had never seemed more fruitful. The
October (1971) deal would give us the
arms we needed. The Soviet representatives
in Egypt were clearly anxious to smooth
any problems.»

The reason for the Soviet change of attitude could be related to several factors. First, the Soviets might have wanted to prove to Sadat that they were the only power capable of helping him liberate the land after his American overture bogged down. Second, the Soviets seemed keen to enter the Superpower Summit in 1972 with a solid front of strong allies and friends and thus tried to accommodate Sadat lest he deviate at a critical moment. Third, the Soviets might have expected the Summit to restrict arms transfers to the Middle East and thus tended to build up Egypt's military capabilities in anticipation.

As for Sadat's intention to initiate war before the end of 1971, there is no evidence that he had approved any military plans during that year. In fact, his first

meeting with the SCAF to discuss the military situation occured only on June 3', 1971 when he gave some vague instructions:

«Cross the Canal and hold even ten
centimeters of Sinai...» 71

Moreover, we should note that the May purge had brought to the fore a new War Minister and a new Chief of Staff with new ideas and approaches which might have needed time for assimilation. The High Command at this stage was hampered by differences about the size and nature of the proposed assault against Israel. There was undoubtedly a sweeping fear between them of another defeat on the 1967 scale and thus they wanted to be perfectly sure of victory by increasing demands for arms. The War Minister told the President in the SCAF meeting of January 2, 1972:

«We are all ready to fight. But we must not decide on war unless victory is guaranteed. The country could not take another defeat.» 73

From the previous account, one could conclude that Sadat's accusations that the Soviet Union had failed him in the year of decision is an over-simplification of the whole issue. It is evident that the arms promised in March 1971 were delivered to Egypt in the same year, as were those promised in October 1971; the delay was a matter of a few weeks in the case of the second deal,

which was of a considerable size and contained new generations of weapons. It is highly questionable that a new leader, who was involved in a power struggle from the very first moment, with a new military command, and inhibited by a previous experience, would hasten to go to war in a matter of a few months against a supreme enemy.

Back from his October visit to Moscow, Sadat was confronted with the task of justifying to his people and the world the failure of the year of decision. He cleverly sought to implicate the Soviet Union in whatever cover-up he might use and subsequently requested in less than two months - another visit to Moscow before the end of 1971. The Soviet leaders seemed aware of his intentions and thus fixed the date of the visit for February 1972. On - fixed the date of the visit for February 1972. On - fixed the date of the visit for February 1971, was the reason that hindered the course of the year of decision. Later he would claim that he made up this excuse to cover up for Soviet unfriendly attitudes;

When I spoke of 'fog' in 1972, I was covering the position of the Soviet Union. The Soviet leaders had promised to send me the arms I lacked in October (1971). I told them that I had committed myself before my people and the world that the year 1971 should be the year of decision. The Soviets told me: We shall send you the arms

before the end of 1971... But I discovered that the Russians were not serious in their promise to me and that their words were merely to stave me off...»75

Sadat paid dearly for this failure both internally, as social anger erupted, and externally, when Secretary Rogers cynically remarked how the year of decision passed without decision and declared that Washington would supply Israel with more arms. 76 Setting aside which of the two allies was at fault in the year of decision, Sadat was deeply humiliated and discredited, and this should have added dramatically to his grievances towards Moscow. He expressed his feelings without failing to blame Soviet agents for internal upheavals:

«The Soviet agents inside Egypt made a laughing stock of the year of decision, while I had to suppress my agony and conceal my wounds.» 77

Sadat heavy-heartedly accepted the date fixed for his third visit to Moscow, namely February 1972; his acceptance was in recognition of Soviet predominance in the alliance and the test of resolve:

«Actually, I was about to refuse the date (of the visit) but the higher interest of the cause always surpasses my personal emotions... I knew that they had intentionally delayed my visit so that I would have calmed down and cooled off, because they did not approve of 1971 being the year of decision.» 78

The visit resulted in additional arms for Egypt, which Sadat played down; «They were better than nothing». 79

But General El-Shazly revealed the substantial size of the deal that was agreed upon:

«The Soviets had now also agreed to supply: - 200 T-62's, their latest and most powerful tanks; ten to come in March 1972 for training, the rest before the end of May. - 25 TU 22 bombers (each with a payload of nine tons). Two could be delivered in March, the rest within the year. - 25 MIG-17's to be delivered immediately. Electronic equipment to upgrade our electronic capability. The Soviets had also promised they would help Egypt to manufacture its own MIG-21MF's construction to start in phases and be in full swing by 1979.»80

As the date of the Moscow Superpowers' Summit approached in May 1972, each side tried to flex its muscles and mobilize allies. In a demonstration of predominance and influence in Egypt, the Soviets summoned Sadat to visit Moscow in April 1972; despite his awareness of Soviet intentions, he complied with their demand:

«I realized of course that they simply wanted to prove to the United States that their feet were planted firmly in the Middle East region; but despite being disgusted with the whole gesture, I accepted the invitation. »81

The April visit turned out to be the most fruitful in Sadat's Soviet transactions. He found his hosts rather

cordial and more susceptible to pressure and demands.

According to him, both sides reached a sort of strategic consensus as they agreed to prepare the military stage within 'five months', so that Egypt would be able to break the deadlock before the American elections in

November 1972. But the most significant result of the visit was Sadat's ability to extract a Soviet concession regarding the Middle East conflict. For the first time, the Soviet Union endorsed Egypt's right to resort to force to liberate its occupied territories, in a major departure from the previous Soviet position of only endorsing a political settlement:

«The (Soviet-Egyptian) communique of April 29 attracted considerable attention abroad, for although it did not meet all of Egypt's demands for more arms, it did give Soviet sanction to Egypt's possible recourse to the use of arms.»83

The visit resulted as well in more arms for Egypt.

Finally, the Soviet side agreed to provide Egypt with a full analysis of expected discussions about the Middle East at the Superpower Summit. However, the visit did not pass without a harsh remark from Marshal Grechko to President Sadat on the three prerequisites to fight a successful war: arms, training and the will to fight. Grechko concluded:

the third you will have to consult your own consciences. The President naturally found this somewhat presumptuous. **84

Another demonstration of Soviet influence in Egypt was evident just a few days before the Summit, when Marshal Grechko arrived in Cairo on May 15 bringing a new fighter for a flight test and subsequently asked for a statement by the Egyptian side acknowledging the receipt of this weapon. The statement was issued:

«Although I knew that Grechko's visit to Egypt only five days before Nixon was due to arrive in Moscow was designed to demonstrate Soviet influence in the Middle East, I didn't mind; indeed I decorated the delegation personally.»

that the policy of detente between the Superpowers might affect the Middle East situation and result in a maintenance of the status quo. Vietnam served as a warning to minor powers that the big could sacrifice the small for self-interest; for despite his strong commitment to the Marxist North Vietnam, Brezhnev agreed to receive Nixon just as the latter ordered the mining of Haiphong. In Cairo, Al Ahram newspaper convened, during the first half of May, a symposium to discuss the forthcoming Summit. One of the participants was Ismail Fahmy, Under-Secretary of Foreign Affairs, and later the Minister of Foreign Affairs, who

suggested that the Superpowers had vested interests in maintaining the state of no peace-no war in the Middle East as this particular situation was becoming of 'low priority for them'. 87 Moreover, 'detente was likely to make this priority even lower, as the two Superpowers would be preoccupied with safeguarding their new rapprochement. 88 These doubts and the term 'no peace-no war' were published in Al Ahram one day before the Summit.

A few days before this seminar took place, some former members of the RCC and other politicians presented Sadat with a note attacking Soviet reluctance in helping Egypt militarily and calling for a reassessment of foreign policy. 89 Though the note was secret, Sadat revealed its contents in a major address in early May and threatened to «take strong measures against people who criticize Egypt's major_ally. Russia, rather than Cairo's enemy, the United States."90 Mousa Sabri, Sadat's confident, indicated that the President was not angry with the authors of the note but sought to exploit it publicly to relay to the Soviets, at a crucial stage, a growing internal discontent with their policies. 91 To soothe Soviet dismay over Al Ahram's seminar, Sadat placed two participants, Under Secretary of Foreign Affairs Ismail Fahmy and Ambassador Tahsin Bashir, on indefinite leave of absence. 92 But later, Fahmy was appointed Foreign Minister and charged

with Egypt's shift of alliances towards the U.S.

The outcome of the Moscow Summit disappointed and frustrated Sadat, as its joint communique called for 'military relaxation' in the Middle East. He perceived the call as an endorsement of the status quo in the area regardless of the fact that Israel was occupying a substantial portion of Egypt's territory. His frustration was further increased by the failure of the Soviet Union, for a month and a half, to provide him with the promised analysis of the Middle East discussion; 93 when it was at last submitted, it was less than he had expected, which clearly indicated the peripheral position of the Middle East situation in Soviet priorities. The maximum the Soviets had done in this respect was to launch 'unusual efforts to persuade Nixon that Security Council Resolution 242 should be implemented.» 94

Sadat's apprehensions about detente were genuine and justifiable, for he foresaw the fate of the small as bleak under this policy;

«The policy of detente would last from
20 to 25 years...the cold war between
the two blocs had ended indefinitely...
the small (powers) will be crushed under
foot.»95

His apprehensions were further reinforced by the similar outcome of the Washington Summit in 1973:

«The next year, at the Washington Summit, it was obvious that the two superpowers had gone a step further. It was quite clear from the communique that our problem had been put in the freezer again.» 96

But what Sadat did not indicate was his expectation from the Soviets in such fora. Undoubtedly, he had seen detente in the making some years before; did he expect that the Soviets would abandon their overriding global interests and wreck detente over the Middle East conflict? In other words, to say, as Kissinger did, that the outcome of the Summit was the last straw in Soviet-Egyptian relations, and that Sadat perceived it as superpower collusion against him, is an over-simplification of realities;

«For Sadat, the Moscow Summit communique was the last straw. This apparent Soviet collusion with the United States came as a 'violent shock' to Egypt...»97

However, Sadat used the Summit's outcome and the subsequent Soviet 'poor' analysis as a pretext to order the expulsion of the Soviet advisors from Egypt on July 8th. He later argued that he took the decision because the Soviet Union "had begun to feel that it enjoyed a privileged position in Egypt," and that he "wanted to tell the Russians that the will of Egypt was entirely Egyptian." In October 1972, he told the SCAF that he was going to

soviet position on the year of decision. The rationality of the decision remained Sadat's secret, for even the anti-Soviet War Minister showed no pleasure in it 100 and argued with the President to withold it. 101

Even if Sadat's frustration over the Summit outcome was genuine, one could argue that his reaction was not in proportion to the Soviet action especially in a stage of increased war preparedness to break the deadlock before the American elections. He should have calculated that a Soviet response to his humiliating action could be either a complete embargo on Soviet arms or at least slowing down of deliveries. Heikal claimed that Sadat's decision was in accordance with Saudi pressures to induce an active American role in the Middle East:

*When Prince Sultan, the Saudi Defence Minister, and Kamal Adham came to Cairo at the end of June (1972) they renewed the pressure on Sadat to get rid of the (Soviet) experts.» 102

What makes us inclined to accept this explanation is that Sadat himself instructed the Egyptian National Security

Advisor to prepare for a successful dialogue with the U.S.

in the wake of the Soviet expulsion:

«The United States would inevitably get in touch with us now...» 103

Despite humiliation, the Soviet Union might have seen benefits in the withdrawal of their personnel from Egypt. This simply removed a substantial obstacle from the road to detente and demonstrated to Third World countries that the Soviet Union honoured sovereign decisions of client states and did not, when censored or dismissed, try to subvert or penalize them. 104 Moreover, the Soviet Union might have preferred its personnel to be out of danger if war erupted suddenly in the Middle East.

One could not exclude the possibility that Sadat's decision was partly a bluff to pressure Moscow to change its commitment on 'military relaxation' in the Middle East and that he did not intend to fully execute it; but when the Soviets complied without objection, he realized that the bluff had backfired. That may explain why, in the midst of the Soviet withdrawal, he decided to despatch Prime Minister Aziz Sidqi to Moscow:

«...with instructions to do what he
could to soothe the Russians' ruffled
feelings and, if he could, arrange for
more (military) equipment. In neither
aim was he able to achieve much.»105

The Soviet leaders refused the idea, suggested by Sidqi, to issue a joint communique to the effect that the two sides had agreed on the withdrawal of Soviet experts from Egypt. Brezhnev told him:

«If you want to make such decisions,
then declare them unilaterally.»
106

A few days later, TASS issued a business-like statement announcing the termination of Soviet troops' mission in Egypt» after completing their task.» 107

Ten days after the expulsion of the Soviets, Sadat, in a major address justified his decision by the need to have a pause with a friend - i.e. the Soviet Union - and called for high level consultation between the two sides. 108 This gesture apparently came when Washington gave no indication of appreciation of the expulsion. Sadat must have realized that, by continuing to provoke the Soviet Union, Egypt would be deprived of an ally without available replacement. Moscow returned Sadat's call with a message from Brezhnev drawing his attention to speculation aroused by the decision to expel the Soviet advisors, who were in Egypt at the request of Nasser and Sadat himself. The message, in harsh terms, accused Sadat of deviation and of appeasing reactionary elements:

«We cannot be indifferent to the policy which has been adopted by the Egyptian government, which is objectively and subjectively contrary to the interests of our two peoples. It is a policy resulting from the intrigues of rightist elements directly or indirectly allied with imperialism to halt Egypt's march along the progressive road and turn it back.» 109

Sadat reacted by commencing a press war against Moscow, which retaliated in kind. 110 On August 17, he openly discussed Brezhnev's message in the People's Assembly:

«The language, contents and type of the letter are totally unacceptable. I could easily get angry with this type of letter and others I have received from the Soviet leaders.»

He later told the SCAF that this letter was enough reason to sever diplomatic relations with Moscow. 112

By the end of August, the two sides seemed to reconsider their positions for, despite their major differences, they still had vested interests in maintaining at least the facade of their alliance. For the U.S.S.R., preparations for the second Summit with the U.S. were underway and Moscow would prefer to attend with the same bargaining power it had deployed in the first one; the loss of Egypt would be significant in that respect and, from a strategic point of view, it would be rather costly. 113

As for Sadat, he must have realized that further deterioration in his relationship with Moscow would drastically minimize his options, especially with the lack of movement from the Americans. Consequently, it was he who started the process of reconciliation with Moscow when, on August 30, he wrote a lengthy letter to Brezhnev registering his grievances and frustrations

over Soviet policy and requesting a second visit to Moscow by Prime Minister Sidqi. 114

By September, the press war on both sides was receding and it was announced that Ambassadors of the two countries, previously recalled for consultation, would return to their posts. 115 At the beginning of October 1972, President Assad of Syria visited Moscow and stopped in Cairo on his way home, where he told Sadat that the Soviet leaders were expecting Sidqi in Moscow on October 16. On October 26, Sadat made a significant gesture of reconciliation toward the Soviets when he dismissed General Sadeq, the anticommunist War Minister, but the real reason for this dismissal, and of other top commanders, was their disagreement with the President who wanted to start war as soon as possible. 116

Between October 1972 and October 1973, the SovietEgyptian relationship operated in a business-like fashion.
Semi-high level visits were reciprocated, including a
visit by a CPSU delegation to Cairo in June 1973; but
high level consultation, i.e. a Sadat-Brezhnev summit,
never took place. Even the second Summit between Nixon
and Brezhnev in 1973 was never discussed by Soviet and
Egyptian officials. What was clear during this period
was the substantial increase of Soviet arms deliveries
to Egypt. A new arms deal was concluded during the

visit of the new Egyptian War Minister to Moscow in March 1973, which included, for the first time, R-17E surface-to-surface missiles known in the West as SCUD long range missiles, capable of delivering nuclear warheads. Significantly, when these missiles were used during the October War Sadat gave them an Egyptian name, Al-Kaher, like apparently to play down the magnitude of Soviet military assistance.

The reason for the generosity of the Soviets during 1973 could be attributed to their fears that further pressure on Sadat might trigger a radical shift in Egypt's foreign course. He undoubtedly demonstrated his ability to challenge his patron when he ordered the expulsion of the Soviet advisors and further radical moves, such as abrogating the Soviet-Egyptian Treaty, could be inimical to Soviet interests. Moreover, the Soviets might have wanted to prove to the masses and the army that, despite their commitment to military relaxation, they had fulfilled their alliance's obligations and that the error of not fighting lay within the Egyptian leadership. On the eve of the October War, Egypt's military capabilities, in the words of General El Shazly:

 ^{...}were stronger than many of the national forces within NATO or the Warsaw Pact in ground forces - much stronger for instance, than either the British or French forces.

And virtually everything had been supplied, on credit terms nobody else would have matched, by the Soviet Union. *119

In analyzing this phase one cannot isolate Soviet Egyptian transactions from the intensive interactions of forces and currents which were gathering momentum in Egypt and the Arab system as a direct result of the 1967 defeat and were further enhanced by global developments. These interactions undoubtedly had their effect on Sadat's perception of Soviet policies and behavior. questioning and sometimes doubting the utility of the Soviet connection in helping the Arab cause. the Al Ahram symposium of 1972 and the memorandum presented to Sadat by former RCC members around the same time reflected these currents and pointed to the forces behind them. At the level of the Arab system, the defeat had largely caused the recession of the revolutionary tide and the emergence and subsequent predominance of conservative forces armed with oil wealth who had strong ties with the U.S. and deep apprehension toward the U.S.S.R.

Sadat since his early days in power made his alliance with the above forces, both in the domestic arena and in the Arab system; their views and sometimes their pressures, were seriously taken into account by him. Moreover,

developments at the global level, especially detente, had enhanced the argument of these forces that the Soviet Union was increasingly becoming les's enthusiastic in supporting the Arab cause.

During this phase, there were undoubtedly certain Soviet actions towards Sadat which could be defined as cool or unfriendly but one should place them within the larger context of the Soviet-Egyptian alliance which lasted for more than two decades and experienced the constraints of similar alliances. Soviet heavy handed behavior was not only confined to Sadat but was also part of Nasser's dealings with Moscow, as we have discussed. Part of the Soviet coolness was in fact triggered by Sadat's actions and policies. He would publicly pledge to follow Nasser's socialist path but he would, in a subtle way, engage in extensive activities to undermine socialism, an attitude which caused Moscow's discontent. In his approach towards the Superpowers he was simply trying to use Soviet arms to open a dialogue with the U.S. regardless of Soviet reservations. The use of the resources of one Superpower to pressure the other might have been a valid foreign policy instrument during the era of the Cold war and non-alignment but it became less effective in the age of detente especially for a dependent country. In fact, this approach by Sadat failed in either opening the American frontiers or maximizing his benefits from the Soviet connection.

Second Phase: Shifting Alliances (October 1973 - March 1976):

This phase started with a major event, namely the Egyptian and Syrian attack against Israel on October 6, 1973. This event activated the cool and business-like Soviet-Egyptian relationship. On October 3, just three days before D-day, Sadat decided to inform the Soviet Union of his war intentions; he told the Soviet Ambassador in Cairo:

«I would like to inform you officially that I and Syria have decided to start military operations against Israel so as to break the present deadlock. I would like the Soviet leaders to give me an urgent answer to this question: what will the Soviet attitude be?» 120

This message clearly underlined Sadat's uncertainty regarding the Soviet attitude towards him during the war. He was anxious enough, while engaged in battle to secure a steady flow of Soviet arms and, most important, to secure Moscow's political support to balance the unequivocal backing Israel was receiving from the U.S.

The Soviets seemed to have limited options but to stand by Egypt, especially as Syria was involved in the same war. On October 8, the Soviet Ambassador called on Sadat to inform him that the arms airlift to Egypt was to start soon and Sadat's response was highly friendly, as he told the Ambassador:

«Magnificent. Tell Comrade Brezhnev I feel thankful to him from the bottom of my heart. Tell Brezhnev that it is Soviet arms which achieved the miracle of the crossing.» 121

Though Moscow had only three days' notice of Sadat's war intentions and was not consulted on the scale of the assault, the Soviet airlift during the war was impressive:

«(T) he Soviet Union mounted the biggest airlift in its history to help us... The airlift had not been planned in advance. Yet it began three days after the outbreak of war and by its finish the Soviets had lifted about 15,000 tons of war material to Egypt and Syria.»¹²²

At the same time, Brezhnev was busy urging other Arab states to mobilize their capabilities behind Egypt and Syria, as expressed in his message to President Boumedienne of Algeria on October 8:

«In our view, there must be fraternal Arab solidarity today more than ever. Syria and Egypt must not remain alone in their struggle against a treacherous enemy.» 123

Sadat, at this point, seemed to evaluate the Soviet attitude toward Egypt in positive terms, as Heikal elaborated:

«...he (Sadat) thought they (the Soviets) saw the situation moving in a very favourable direction and felt this was their chance to regain most or all of their lost prestige in the Middle East.»

124

This short-lived mood of reconciliation was soon.

undermined by misperception on both sides. As the war
escalated, the Soviets must have experienced an acute
dilemma; Sadat's message on October 3, did not indicate
to the Soviet ally either the size or the limits of his
intended military operations. This information was vital
to the Soviet Union for a correct estimation of Egypt's
and Syria's need for arms. Sadat persisted in being
ambiguous with the Soviet Ambassador over his 'limited
objectives' in the war. Brezhnev expressed his dilemma
when he asked his Ambassador:

«What is the limit of their (the
Egyptian's) limited objectives?»125

In addition, such information was rather crucial to enable the Soviet Union to calculate its moves on the international level. The possibility of a major confrontation with the U.S. was one of the variables in the situation.

Sadat's ambiguity and the Soviet dilemma led to further misperception over the issue of the ceasefire. The Soviet Ambassador - as early as the first day of the war - presented Sadat with a Syrian request for ceasefire, which was later repeated. Sadat adamantly

refused to believe that President Assad had made such a request, especially as the tide favoured the Arabs during the initial days of the war. 126 He stated that when he inquired about the issue, President Assad denied placing such requests. 127 Heikal gave an explanation of the Syrian position and indicated that the Syrian President had actually made this request during his meeting with the Soviet Ambassador in Damascus on October 4:

«President Assad apparently said that no harm would be done if a resolution calling for a ceasefire was put forward. It may be that at the back of his mind was the thought that if the fighting was going Syria's way, the resolution would not matter; if the fighting went Israel's way-the resolution might come in useful.» 128

Sadat would use this issue in the future is an indicator of Soviet efforts to undermine Egypt's victory as well as to cast shadows over Soviet credibility. That was not a trivial matter for a Superpower, as Brezhnev pointed out to Foreign Minister Ismail Fahmy:

«'Can you offer any justification as to why President Sadat had no confidence in me? Why did he not believe me when I sent him a message stating that President Assad had asked us formally to request a ceasefire on October 6, 1973?' Brezhnev added, 'We are not a small power. We are a big power. We have our records. Our records show that President Assad asked us for a ceasefire three times and still President Sadat did not believe us.',129

Sadat's refusal of a Soviet diplomatic role in the war became clear when he told the British Ambassador on October 13 that, if Kissinger wanted to discuss a ceasefire he should contact Cairo and not Moscow. 130 This attitude persisted even when Kosygin arrived in Cairo on October 16 with a fresh request for a ceasefire after the seriousness of the Israeli counter-attack west of the Canal was identified. 131 Curiously enough, a few hours after Kosygin departed from Cairo, Sadat asked the Soviet Ambassador to transmit to Moscow a demand for a ceasefire. 132

Soviet military assistance to Egypt continued after the ceasefire. Former Minister Riad met with the Soviet Ambassador in November 1973 and questioned him about Sadat's allegations that Moscow was reluctant to provide Egypt with arms after the war:

«When I referred to Egypt's complaint of not being compensated for all the weapons it lost (in the war), (the Ambassador) informed me that they had offered Egypt more than 400 M62 tanks in addition to enormous quantities of SAM 7 missiles. Moreover, the Soviet Union had responded to Egypt's demands for reconnaissance flights over the Israeli positions. As for

Egypt's demands of MIG 23 jetfighters, they would arrive in Egypt next month (December 1973). In general, Soviet deliveries to Egypt during the battle exceeded one billion dollars.» 133

Judging by the size of Soviet military aid extended to Egypt before, during, and after the war, one can assert beyond doubt that the Soviet Union had fairly fulfilled its obligations towards its ally. The Soviet Union went as far as risking a major confrontation with the U.S., especially at the end of the war, when Washington declared a nuclear alert over reports that Moscow was to transfer troops to assist Egypt. 134 Yet, President Sadat accused his ally of standing ready during the war «to stab (him) in the back». 135

Egypt's options in the post-war era had substantially expanded and it could have pursued a more diversified foreign policy. The war—undoubtedly highlighted the state of its dependence on the U.S.S.R., which could influence its decisions. As we have seen, the Soviets tried to bring about an early ceasefire contrary to Sadat's wishes and they might have used arms deliveries to that end.

Moreover, they tried during the war to resume the role - previously denied them - of Egypt's spokesman at the global level, which could have affected Egypt's future relations with the U.S. There was the possibility

that continuing close alliance with Moscow might impair
Egypt's freedom of manoeuvre if it decided to accept
partial solutions in the Middle East while Moscow insisted
on a comprehensive one. Moreover, there was the fear
that by maintaining the Soviet alliance, the Middle East
situation would be repolarized by the Superpowers in the
fashion of the pre-war period. On the other hand, by completely
severing the Soviet alliance and shifting towards the
American one, Egypt's security would be jeopardized and
its bargaining power weakened, since Israel was still
occupying a large portion of the national soil.

It might be argued that a rational foreign course for Egypt was to move towards a balanced relationship with both Superpowers, by forging strong ties with the U.S. to induce its active role in the Middle East while maintaining its Soviet connection as a balancing force. In this respect, Egypt was greatly helped by several changes in the Middle East equation. First, its image as a humiliated and impotent country was considerably altered. Second, Arab policy, including the oil embargo, had greatly contributed to Egypt's bargaining power. Third, with the partial easing of Egypt's territorial-security problems, its decision maker was freed of considerable constraints. Fourth, the active American

role in the Middle East settlement had started immediately during the war without preconditions.

Instead of developing this rational course, Egypt opted for a dramatic shift of alliances without even a transitional period. On October 29, Ismail Fahmy - the new Egyptian Foreign Minister - was despatched to Washington as Sadat's special envoy to meet Nixon and At the same time, Sadat declared that the American position regarding peace in the Middle East was 'constructive'. 137 Six days later, Kissinger arrived in Cairo to arrange for the Six-Point Agreement to be concluded between Egypt and Israel on November 11. The Six-Point Agreement was followed by the call to convene the Geneva Conference, which was agreed upon between the U.S. and the Soviet Union during Kissinger's visit to Moscow on October 21, to discuss the ceasefire resolution. 138 At this stage, consultation between Egypt and the Soviet Union took place but only on the procedural aspects of the conference. 139 The Geneva Conference was convened on December 21, where speeches were exchanged without much substance or any specified role for the Superpowers;

[«]Kissinger probably agreed to the idea
of the Geneva Conference because of the
pressure from the Soviets but he must
later have hoped to find an excuse for
retreating from the commitment (of
including the U.S.S.R.)».140

In retrospect, the Soviets found that instead of acting as participants in the conference, they were relegated to the role of spectators. 141

The first serious diplomatic exchange between Egypt and the Soviet Union occured in late January 1974, when Foreign Minister Fahmy visited Moscow after the signing of the First Disengagement Agreement between Egypt and Israel. Fahmy «decided that it was high time to reactivate contacts with the Soviet Union, in order to show them that we had not moved into the American camp, did not intend to rely solely on the good offices of the United States in our search for peace, and still considered Egypt's relations with the Soviet Union of crucial importance.» 142 Fahmy's statement indicated that the status of the Soviet Union in the Egyptian perception was becoming that of a mere friend to be informed and not an ally to be consulted on major issues. Yet, the rationality of this statement was lost under the quick paces of events.

Fahmy's visit to Moscow did not succeed in solving all the basic problems of Soviet-Egyptian relations. The fact that the Soviet Union was alienated from the postwar diplomacy - except for the Geneva Conference - without even the courtesy of bilateral consultation was not a

matter of satisfaction to Moscow, which rightly felt that without Soviet arms Egypt would not have made the move. Soviet anxiety was partly the fear that Sadat's policy might lead to partial solutions with implications on the Syrian front and the Palestinian problem. The fact that Sadat, in January 1974, had reached a disengagement agreement on the Egyptian front without a similar one on the Syrian front, cemented Soviet fears. When Foreign Minister Gromyko visited Cairo on March 2 - just one day after diplomatic relations between Egypt and the U.S. were restored - he raised Soviet apprehensions:

«The opponents of a just peace in the Near East would like to substitute various half-measures and so called 'partial solutions' for a real settlement of the Near East conflict.»143

Sadat chose to ignore Soviet concerns and, instead of mending fences, demanded more arms and grew angry when they were delayed. 144

By the spring of 1974, Sadat seemed adamant to provoke the Soviet Union further, thus starting his long anti-Soviet campaign. In a major address on April 3, he accused the Soviet Union of letting him down during the year of decision and of opposing any military action to break the stalemate in the Middle East. He also explained why he decided to expel the

Soviet advisors. 145 On April 18, he announced in the People's Assembly his decision to diversify arms supplies as a result of Moscow's failure to meet Egypt's needs:

*...(I)n view of this situation, I
have taken a decision in agreement
with our Armed Forces that we should
have diversified sources of arms.
The decision has been put into effect.»
146

This decision raises several questions. First, if

Egypt at this stage was contemplating war against Israel,
was it rational to cut Egypt's major arms supplier
without a viable alternative? There is no indication that
the U.S. at that time was ready to step in as an alternative
arms dealer and there was no other resource to satisfy
Egypt's military needs. Second, if Egypt had opted for
a peaceful solution, was it not rational to keep the
Soviet connection - albeit cool - as a fallback line if
peace failed? Third, was Egypt financially and economically
in a position to purchase arms from sources other than
the Superpowers, such as Western Europe? Fourth, was
it rational in a state of war to switch a large army
from Eastern to Western military supplies without at
least a transitional period to absorb a new doctrine?

There are some indicative statements which might shed light on Sadat's political design in the post-war era. Kissinger claimed that during his talks in Egypt

in January 1974, Sadat outlined to him the strategy he intended to pursue:

«Sadat was anxious to convey to me again the depth of his desire to dissociate from the Soviet Union. He repeated that he intended to remove the Soviet reconnaissance plans from Egyptian soil and to end the Friendship Treaty with the Soviet Union in 1975. He sought a secure communication link with the United States; he wanted to begin exchanging ideas for future cooperation.» 147

On the day of Sadat's decision to diversify arms supplies,
Foreign Minister Fahmy called on President Nixon in
Washington. Kissinger gives a significant account of
the meeting:

«On April 18 - the day Sadat publicly declared the end of an era of Egypt's exclusive reliance on Soviet military aid - Foreign Minister Ismail Fahmy called on Nixon....Fahmy underlined what he had already conveyed to us from Cairo, that any visible Soviet role in the Middle East would undermine American influence and Sadat's freedom of manoeuvre; Egypt sought American political support, he said, and a 'red light' to the Soviets».148

This is also backed by Khaled Mohiedeen, former RCC member and current leader of the opposition Unionist Progressive Party, who stated:

«I was told by a Syrian politician
that Sadat had pledged to Henry Kissinger
not to receive new Soviet weapons after
the October War....His plan was to start

a political campaign against the Soviet Union so it would stop arms deliveries, and consequently the campaign would become more intensified and his plan to relinquish the Soviet connection would succeed. But what happened never entered (Sadat's) calculations, for the Soviets continued to fulfill a third part in an arms deal signed in 1973...Sadat thought that the Soviets were pulling his leg...»149

The Soviet response to Sadat's arms campaign was to try to minimize their losses and maintain their position in Egypt. On April 23, the Soviet Chargé d'Affaires in Cairo presented a request to Foreign Minister Fahmy to visit Moscow; 150 this was followed by reports from Cairo indicating that the Soviet Union had resumed arms deliveries to Egypt. 151 At the end of June, Fahmy announced that he would visit Moscow in July; and on July 10, the Soviet Ambassador called on him to arrange for the visit. However, the Ambassador returned after two hours bearing a surprising message expressing the Soviet leaders' regret that they could not receive the Egyptian delegation. The message conveyed no further explanation, thus causing Fahmy's consternation:

«Such a message came very close to being provocative and certainly humiliating.» 152

The reason for this Soviet action is not known but

one cannot exclude the possibility that it was a subtle protest against Sadat's explicit tilt towards the U.S., which had manifested itself during Nixon's visit to Egypt in June 1974. The American President «received an incredibly enthusiastic reception in Cairo and Alexandria, while «Sadat went to great lengths to emphasize the new chapter in U.S.-Egyptian relations that he had helped to open.» 154

However, Fahmy's visit did take place in October 1974 and he was able to obtain Brezhnev's promise to visit Egypt in January 1975 as a gesture of good relations between the two countries. But on outstanding issues, such as arms supplies to Egypt and its military debts, the visit achieved little. Apparently, Fahmy's Soviet diplomacy was based on his strong conviction that Egypt's interest could best be served by maintaining a balanced relationship between the Superpowers. He elaborated:

«Egypt simply could not afford to ignore one superpower, becoming totally dependent on the other.»156

But later events did not give his efforts an opportunity to materialize.

In late December 1974, Fahmy and Defence Minister Gamasy were urgently recalled to Moscow without being offered any explanation. It turned out that Brezhnev

was seriously ill and wanted to work out with Fahmy a sort of a communique on postponing his visit, which was to include Syria and Traq besides Egypt, without raising unnecessary speculation. In a gesture of good intentions, the Soviet Emion during this visit responded to some of Egypt's demands for weapons, including MIG 23 jets and other sophisticated arms never supplied before. Gromyko also promised Fahmy to remedy the outstanding economic ssues. 157 Fahmy was completely convinced of Brezhnev's illness and appreciated that the Soviets went out of their way to take him into their confidence on that issue. But on the other hand, he foresaw the future of Soviet-Egyptian relationship in the absence of high-level contacts:

«Brezhnev's illness had indeed far reaching historical consequences. He took a long time to recover and then the hot season started in Egypt, and Brezhnev, for health reasons, never travels in hot weather. In the intervening months Kissinger succeeded in negotiating the second disengagement agreement on the Egyptian-Israeli front, and from then on there was no way of convincing Sadat that he still needed the U.S.S.R.»158

The year 1975 witnessed further deterioration in Soviet-Egyptian relations without any real effort from Sadat to bridge the gap, while his tilt towards the U.S. was becoming explicit when he encouraged Kissinger's step-by-step policy. What was clear at that stage was

his refusal to allow Fahmy's efforts a chance to maintain, and exploit the Soviet connection. While he was dissociating from Moscow, he still insisted on being treated by it as an ally eligible for 'replacement' and 'compensation' of arms. Even when he started to receive fresh arms supplies - presumably due to Fahmy's efforts - he showed his dissatisfaction:

«As you know I have not received any replacement for the weapons we lost since the October War...but since January this year I began to receive the first supplies provided for in these (previous) contracts, yet I was not sent sufficient (arms) replacements.» 159

Sadat's campaign against Moscow escalated throughout the year without justifiable provocation from Moscow's side. In the meantime, his campaign took on another dimension as he began referring to the Treaty of Friendship and Cooperation in a manner suggesting that either he was pressuring the U.S.S.R. for more arms or paving the road for another electric shock;

«They (the Soviets) said that I wanted to remove them from the region. Had that been true, i.e. that I wanted to follow a new anti-U.S.S.R. policy, I would have cancelled the (Soviet-Egyptian) treaty altogether since there was actually a legal violation of the articles (the refusal of the U.S.S.R. to provide Egypt with arms.)»160

In another reference, he threatened that he might resort to a 'certain action' if Soviet arms and economic policies toward Egypt continued:

«But if the Soviet attitude of favoring others (Syria) and neglecting us persists, if it continues to pay no heed to our economic conditions....we shall have different talk with it...»¹⁶¹

In one of his numerous interviews, he mocked the Soviet method of collecting information about his intentions to abrogate the Treaty:

«They fell victim to one of the sweet potato venders in Beirut who led them into the belief that El Sadat would abolish the Soviet-Egyptian Friendship Treaty on (the anniversary of) July 23 (Revolution).»162

Further deterioration in Soviet-Egyptian relations was mainly due to Egypt's acceptance of a second disengagement agreement with Israel against mounting Syrian and Palestinian opposition. The Soviets had repeatedly called for the reconvening of the Geneva Conference, which was adjourned in late 1973, to allow its Syrian and Palestinian allies to participate in a comprehensive settlement. Soviet doubts about Sadat's intentions deepened when President Ford informed them during the Vladivostok Summit in late 1974 that Kissinger's step-by-step approach was carried out at the wish of both

Egypt and Israel. 163 In May 1975, Izvestia commented on Kissinger's efforts in Cairo to reach the second accord:

«The very fact that talks were held (between Egypt and) the American Secretary of State was evidence that Cairo is not rejecting the search for an accord on the question of a partial withdrawal.»

During the summer of 1975, Soviet-Egyptian relations were moving to a point of no-return. Sadat intensified the press war against Moscow, which retaliated in kind; on July 15, Pravda directly accused Al-Akhbar newspaper of anti-Sovietism and of misleading millions of Egyptians and Arabs:

«It is not difficult to figure out what foreign and domestic forces' interests it is that the authors of the anti-Soviet articles appearing in the Cairo press are playing up to, and who is interested in sowing discord between the peoples of Egypt, Libya and other Arab countries, on the one hand, and the Soviet Union their natural ally, on the other.»

The dispute became intensified at the beginning of
September, when Egypt and Israel signed the agreement
in Geneva despite Syria's strong objections. The Soviet
Union's refusal to attend the ratification of the agreement
in Geneva triggered further attacks by Sadat, who accused
Moscow of splitting Arab ranks;

«I can disclose many facts about the whole (Soviet) situation and I regard

the Soviet Union's attitude of today (when the agreement was signed) as flagrant insinuation and an attempt to split up the ranks of the Arab nation.» 166

A few days later, he made it clear that the Soviet role in Egypt's foreign policy was becoming marginal and that Geneva was chosen just to give Moscow a face-saving role;

«Seriously, it was for the Soviet Union's sake that we went to Geneva. I could have signed the (Second Disengagement) agreement in the U.N. territory between the two forces (Egypt and Israel) in Sinai, like (the agreement of) Kilometer 101.»167

In the same speech, he disclosed his intentions to eliminate whatever remained of the Soviet presence in Egypt. Earlier, during the October War, the Soviet Union provided Egypt with MIG 25 reconnaissance planes manned by Soviet pilots to monitor Israeli military movements in Sinai. Sadat claimed that these planes never operated over Sinai without direct orders from Moscow and thus he ordered the suspension of their mission:

"Hence, I decided that such planes
must remain on the ground and not
fly at all for they had other objectives.
When the Soviets realized that I was
serious, they began to withdraw their
planes from last Saturday, September 13,1975."

The conclusion of the Second Disengagement Agreement seemed to convince Sadat that he was finally accepted in

the American alliance; consequently, he travelled to the U.S. in October 1975 - the first Egyptian President to do so - appealing for economic aid and, significantly, military assistance. Back in Egypt, he publicly made clear his preference:

«It is for every Arab to know that the game of the Middle East area cannot be Russian since the Soviet Union cannot and has not the power to influence Israel, not to mention the (Soviet) volunteers and the people (Soviet immigrants) it sends to Israel...»170

In the following months, Sadat was preparing the stage for a final showdown with the Soviets, waiting only for an excuse. By the beginning of February 1976 he seemed to find what he was waiting for when he referred to Soviet reluctance to overhaul Egyptian Soviet-made jet engines:

«Worst of all is the delay in the
necessary overhauling of planes,
...They (the Soviets) are increasing
the pressure. We have decided not
to resort to insults and libel.»171

The Soviets for their part, seemed to come to the conclusion that despite several attempts to maintain what remained of the Soviet-Egyptian alliance, its fate was sealed. That was rather evident in Brezhnev's address to the 25th Congress of the CPSU, when he referred to counter-revolutionary currents, either in India or Egypt, which endeavor to undermine friendship

with the U.S.S.R.;

«Some of the political regimes and organizations which have set themselves socialist goals and which are undertaking progressive transformations have been subjected to tremendous pressure from both internal and external reactionary forces. The recent campaign launched by right wing circles against Indira Gandhi's government, and the attempt to sabotage the social and political achievements of the Egyptian revolution, are obvious examples of these recent developments.»

Significantly, while Brezhnev mentioned Prime Minister

Indira Gandhi by name as a target of these currents, he

omitted to mention Sadat in the same context, an

insinuation that his government was part of these currents;

this remark was not missed by Sadat. 173

In a major address to the People's Assembly on March 14, 1976, Sadat responded to Brezhnev's accusations by enumerating what he perceived as Soviet unfriendly actions towards Egypt: the latest being India's refusal - prompted by Moscow - to overhaul Egyptian MIG engines.

This act - from his point of view - was enough 'excuse' to abrogate the Soviet-Egyptian Treaty. 174

It would be futile to measure Soviet action against
Egyptian reaction in this context. Soviet arms delays and
denials were a permanent feature of the Soviet-Egyptian
alliance since it was forged and not confined to this

particular incident. Thus it would be enough to cite

Ismail Fahmy, whose proximity to Sadat during these days

allowed him the insight;

«In fact, the abrogation of the treaty fitted only too well with Sadat's own feeling against the Soviet Union and with his previous style. There is no need to look for an external cause for this decision. It was simply the culmination of a trend which had started with the expulsion of the Soviet military experts in 1972, developed into a verbal campaign of abuse by Sadat after the October . War, and now came to its logical conclusion.» 175

Significantly, no transitional period was needed between the demise of the Soviet-Egyptian alliance and the emergence of the American-Egyptian one. In fact, Sadat had consistently moved during 1974/1975 towards his goal of shifting alliance from one superpower to the other. He needed that time to become more convincing to his fellow citizens. The first American arms sale to Egypt was declared almost simultaneously with the abrogation of the Soviet-Egyptian Treaty. 176

Conclusion:

The relationship between Sadat's Egypt and the Soviet
Union passed through two distinctive phases; the first,
which covered the years from 1970 to 1973, was marked by an
intensity of events and witnessed a test of resolve

between patron and client as each side tried to establish positions and project images. In general terms the Soviet Union prevailed to a great extent in this test, yet the client was able to initiate war in 1973 without the consent of its patron. The second phase, which started in 1973 and ended in 1976, was a period which President Sadat spent in carefully preparing the stage for a final showdown with the Soviet ally and resulted in the abrogation of the Soviet-Egyptian Treaty. The two phases combined are a demonstration of shifting alliances and choosing patrons.

During the first phase, the Soviet Union, due to global and regional calculations, had developed certain reservations regarding Egypt's option to liberate its occupied territories by military means. The Soviet Union was undoubtedly experiencing a dilemma of supporting an embattled ally, while in the meantime risking a global confrontation with the U.S. These reservations were apparent in Soviet policy towards Egypt under Nasser and were certain to continue had he lived, despite his long friendship with Moscow and his international stature. They were clearly cemented by the growing Soviet interest in detente and world equilibrium. In fact, the Soviet Union saw little gain in advocating war in the Middle

East and subsequently risking a major confrontation with the U.S.

The Soviet dilemma was further augmented by the sudden death of Nasser and the emergence of Sadat. It · was feared that the new President, who presided at a moment of national distress, might entertain a military adventure to gain legitimacy and popular acceptability. That was coupled with the fact that Sadat represented an ideological enigma without previous explicit commitments or inclinations. Naturally, the Soviet Union, in such a dramatic situational change, was apt to adopt a cautious approach towards the new regime in Egypt. for his part, had closely served under Nasser especially during his plast year and should have been acquainted with Soviet reservations and concerns. He was expected to assure the Soviets and allay their fears in order to secure their continued support. Instead, he engaged from the onset of his presidency in actions and moves that aroused Soviet suspicions and fears.' His early internal moves were a major departure from Nasser's socialism and his external moves - especially his American overtures suggested a deviation from the previous Soviet-Egyptian In this he chose to ignore that Egypt was heavily dependent on Soviet arms and support to liberate

The initial Soviet response its occupied territories. was to 'wait and see' while slowing arms deliveries to Moscow witnessed, with considerable apprehension, Sadat's contacts with the Americans and his rapprochement with the Saudis during the first quarter of 1971. With the exception of delaying arms deliveries, which could be related to other factors as well, one cannot describe Soviet actions towards Sadat as unfriendly during the period between October 1970 and April 1971. But when, by the beginning of May 1971, Sadat's actions, both internally and externally, were becoming alarming to Moscow, the Soviets responded in a heavy-handed manner by demanding the conclusion of the Soviet-Egyptian Treaty. The fact that the Soviets at the beginning of March 1971 had refused an offer from Sadat to 'sign anything' with them indicated strongly that his actions during March and April 1971 precipitated the Soviet reaction in May 1971.

During the second half of 1971 Sadat sought to use the Treaty to pressure Moscow for more arms by declaring the year of decision without consulting his ally or securing its support. The irony here is that Sadat unilaterally fixed D-day for a war in which the Soviet Union would be involved without bothering to ask for its consent and, when that failed, he blamed Moscow

for the failure.

The cautious Soviet attitude towards Sadat started to change by the end of 1971 and the beginning of 1972, as Egypt concluded substantial arms deals and the Soviet Union - for the first time - endorsed Egypt's right to resort to force to liberate its territories. Moreover, the two sides had reached what amounted to a strategic, consensus to break the Middle East stalemate before the American elections by the end of 1972. The Soviet attitudinal change could be explained either by an increased appreciation of Egypt's concerns and more confidence in its war capabilities, or by the Soviet desire to mobilize allies in anticipation of the Superpower Summit in May 1972, or by both factors. Sadat could have capitalized on these changes for future transactions since the Superpower Summits were to continue afterward.

In July, in one of his electric shock moves, Sadat ordered the expulsion of the Soviet advisors from Egypt in reaction to the Soviet approval of 'military relaxation' in the Middle East and to the moderate Soviet position on the same issue during the Summit talks. His reaction was by all means disproportionate to the Soviet action; its severity, including the humiliation of a Superpower, did not match its gains, if there were any. That

validates speculation that his reaction was carried out in accordance with Saudi pressures to get rid of the Soviet advisors and thus induce an active American role in the Middle East. Even if we accept the notion that his decision was a mere reaction to Soviet unfriendly behavior, one should question its rationality, since Egypt - in a crisis situation - was left without viable alternative resources. It is interesting to note that this major decision came shortly after substantial improvement in Soviet-Egyptian relations took place by the spring of 1971.

During the second phase (1973-1976), Egypt's options' expanded on the one hand by the easing of its territorial-security problems, and hence its heavy dependence on Soviet arms, and on the other by the materialization of the long awaited active American role in the Middle East diplomacy. Egypt could have capitalized on the new givens and moved into a balanced position in relations with the Superpowers, at least to secure a fall-back position in case one of the giants declined. Instead, Sadat's actions of antagonizing the Soviet Union became more explicit, starting with his decision to diversify arms sources in April 1974 and ending with the abrogation of the Soviet-Egyptian Treaty in March 1976.

Again, Sadat's rationality in this decision is questionable, even if we accepted his allegations that the Soviet Union refrained from providing Egypt with arms after the October War. One should ask: what did Egypt gain by this decision, since no other arms sources were then available. There is no indication of Soviet heavy-handed policy in the post-war era and thus we may say that this decision and the subsequent arms campaign were not in reaction to Soviet behavior but were rather designed to provoke the Soviet Union to react severely.

In the final analysis, one could see some validity to the reactive explanation, at least during the first phase, though some of Sadat's reactions did not correspond in magnitude to Soviet actions. But on the whole, this explanation is not very convincing, especially during the second phase, and does not justify Sadat's complete shift of alliance. Hence the real explanation(s) should be sought elsewhere.

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CHAPTER II

THE TERRITORIAL-SECURITY EXPLANATION

INTRODUCTION

This explanation, like the two which will follow, assumes that the shift in Egypt's foreign policy, from total reliance on the Soviet Union to close cooperation with the U.S., could be explained largely not by Soviet behaviour towards Egypt but rather by Egypt's particular needs and objectives. In other words, this explanation assumes that President Sadat would have embarked on his new course irrespective of how the Soviet Union behaved. Soviet behaviour might have intensified the process and highlighted Egypt's territorial-security problem but it was not the basic motive for this important move. The primary motive, it is argued here, was the acute territorial-security problem confronting Egypt since 1967, how best it could be resolved, and how Egypt could avoid further threats to its security.

For this argument to hold, two points have to be demonstrated. The first is that there was indeed a serious territorial-security problem which imposed substantial costs on Egypt and the Sadat regime. In fact, it was one

of two acute problems facing the country in the late sixtes and early seventies; the other was the economic. situation. Territorial and security issues were very salient to the Egyptian leadership and there was a definite sense of urgency to resolve them satisfactorily. Besides the occupation of a large portion of the national soil, there was the continuing humiliation generated by the regime's impotence to repel the aggressor. the regime's mandate was its claim of national independence and opposition to foreign occupation. The security problem was accentuated by the enemy's proximity to the heartland and its capacity to strike in depth with relative impunity. When Egypt tried to challenge the Israeli occupation and demonstrate the explosive nature of the situation by initiating the war of attrition (1968-1970), the result was rather costly, as Israel attacked Egypt proper and inflicted heavy damage.

The territorial-security problem also had its
effect on the social fabric of the country. Internal
upheavals erupted in magnitude apparently to protest
against the regime's inability to address the national
cause but in reality they were a challenge to the regime's
legitimacy. Economic hardships added to the problem's
dimensions as Egypt was to divert its resources - though

meagre - to the war effort.

The second point which has to be demonstrated is the strong linkage between Egypt's territorial-security problem and its policy towards the Superpowers. policy was largely determined by the position of each Superpower towards the Arab-Israeli conflict, in particular how each of them could bring about a settlement and what degree of assistance each extended to its client(s). By his proximity to events, President Sadat became fully aware of the Soviet Union's limited ability to bring about a political settlement in the Middle East since it lacked proper leverage vis-a-vis Israel. He had also witnessed that the Soviets were reluctant to fully endorse Egypt's war intentions and place in its hands sufficient weapons to defeat Israel. Sadat should have perceived that Egypt aided by the Soviet Union - was in no position at present or in the foreseeable future to solve its territorialsecurity problem by military means. Under optimum conditions it could - as it did in October 1973 - initiate a limited military action just to unfreeze the stalemate but without significant achievement on the ground. These calculations and others raised serious questions about the wisdom of continuing to depend exclusively on the Soviet Union. reassessment of alternatives was deemed crucial.

Since it seemed impossible to resolve the conflict satisfactorily by military means, Egypt's hope lay in a political settlement. Here, the role of the U.S. was indispensable since it was both Israel's ally and source of military superiority and thus the only power capable of effectively influencing Israel's decision. If only the U.S. could be neutralized or won over to Egypt's side, a political solution would become feasible. From this perspective, Sadat saw the U.S. as potentially more useful to Egypt in solving its territorial-security problem than the Soviet Union could ever be. In his view the U.S., by virtue of its extensive support to Israel, held 99% of the cards*1 in any resolution of the Middle East conflict.

Moreover, if Egypt was to successfully win backing from the U.S., it had to reduce sharply its ties with the U.S.S.R., as Sadat felt that a non-aligned position or balanced relations with the Superpowers would probably be insufficient to persuade the Americans to assume an active role in the Middle East conflict.

Sadat's views were greatly reinforced in the wake of the October War by the U.S. ability to deliver tangible

^{*} He would later raise the figure to 99.9%².

results in the form of progress towards a political settlement. This in turn increased his willingness to meet U.S. conditions of excluding the Soviet Union to expedite the peace process and produce more results in solving Egypt's territorial-security problem. From this perspective, then, the territorial-security problem would be the major factor explaining Sadat's shift of alliances and the radical alteration of Egypt's foreign course.

In addition to a summary of the nature of the territorial-security problem and the situation under President Nasser, this chapter will be divided into two parts. The first covers the period from 1970 to 1973, during which Egypt tried to reach a political settlement but failed for several reasons. During this phase, events supported Sadat's views regarding the limitation of the military option and hence the futility of total reliance on the Soviet Union. The second phase, 1973-1976, would be the manifestation of Sadat's conviction that only the U.S. was capable of inducing the desired political settlement. It was a period of careful planning to dissociate Egypt from the U.S.S.R. and associate it with the U.S.

The Nature of the Problem

In 1967, Egypt was subjected to the worst military defeat in its modern history. In six hours its army was devastated and in three days a substantial portion of its national soil, Sinai, was occupied. The enemy could have marched to Cairo but preferred to inflict humiliation rather than total subjugation;

«The most serious blow was psychological. While difficult to measure, the effect was pervasive, distorting, and crippling.»³

The dream of national independence was shattered and the image of the revolutionary leadership was tarnished.

Part of the July 1952 Revolution's mandate was its success in ridding the country of foreign occupation but in less than two decades this mandate became doubtful. In Nasser's words, the 1967 defeat was the severest crisis Egypt had ever faced;

«We will not exaggerate if we say that this is the most severe crisis we have faced in the history of our revolutionary work.»⁴

Sinai is very pertinent to Egypt's security; it constitutes the country's eastern gate and has been throughout history the passage of conquerors and invaders. It was as well Egypt's path to aggrandisement and the natural shield of the Nile Valley against foreign

encroachments; thus its occupation in 1967 posed a 'serious threat to the security of the country. Israeli froops in Sinai were positioned within meters of the heavily populated cities of the Suez Canal Zone and within only 100 kilometers of Cairo itself. From this advantageous position, Israel was not only capable of threatening the whole Nile Valley but was also able to dominate the Red Sea, after decades of relative Arab domination.

The territorial-security problem assumed dramatic proportions during the years between 1968 and 1970, when Nasser initiated the war of attrition across the Suez Canal front. His primary goal was to keep the situation inflamed to convince the conflict's parties to come to terms but the cost of this war was tremendous. Israel responded not only by attacking military positions but also by destroying economic targets and heavily populated areas in Egypt proper. When in October 1967 Egypt sank the enemy destroyer Eilat in Egyptian territorial waters, Israel retaliated by devastating the Suez oil refineries. The Israeli message was that reprisals would not discriminate between civilian and military targets; a message that tended to affect mainly the fragile moral fabric of the country.

The military aspect of the defeat was the most conspicuous but the latent features were of great magnitude. Two areas in particular were severely affected, the acutely congested economy and the social cohesion of the country. Thus Egypt, with its meagre economic inputs, was deprived of its major resources, namely the Sinai oil fields, the Suez Canal revenues, and tourism; yet it had to sustain an awesome military expenditure. Sadat stated that military expenditure during the years of confrontation amounted to one third of the national income. 8 As an example of this burden, Egypt spent one million pounds daily just to build the missile launching pads along the Canal Zone. 9 In April 1982, President Mubarak stated that throughout the wars against Israel Egypt had sacrificed 100 billion Egyptian pounds. 10 The country had to abandom its development drive to make concessions to the masses who endured economic hardships caused by the first five-year plan This situation forced Nasser at the Arab Summit Conference in Khartoum in August 1967 to accept financial subsidies from his Arab rivals; however, the Arab contribution did not exceed LE 135 million yearly.

The most serious ramification of the defeat and occupation was the impact on the social fabric of the country. The masses, who had been mobilized for more than a decade, discovered that their expectations would

not be met and that they were called on to make further sacrifices. During the Khartoum Conference, Nasser privately conceded to Prime Minister Mahjoub of Sudan and others that «Egypt was on the verge of breakdown; that there were plots and schemes in the military and dissatisfaction among the population.» A few months later, his fears materialized when social upheavals erupted in February 1968. The overt reason for the social unrest was the lenient verdicts against the military who were charged with the responsibility for the defeat but the real motivation was to protest against the regime's inability to repel the aggressor:

"The immediate pretext of the revolt was the clemency of the verdict against the superior officers who were directly responsible for the army's weakness during the June aggression. The Egyptian people saw in this verdict the official will to suppress their belligerent mood, a challenge to all whose sole hope of freeing themselves from humiliation had for several months been the resumption of the war and who demanded an exemplary punishment of those who had dragged national dignity into the dirt."

Nasser responded to the popular discontent by some political concessions, as outlined in the March Program of 1968; but he knew that the demand was beyond cosmetic reforms. He knew that his mandate and that of the

regime was conditioned by his ability to solve Egypt's territorial-security problem. Popular discontent erupted once again in November 1968 to which Nasser reacted by intensifying the war of attrition.

The defeat had significantly altered Egypt's Economic development, the building of political priorities. organizations, and major issues of foreign policy had completely faded from Nasser's perception to give precedence to one particular issue; the removal of the consequences of aggression. He was even ready to compromise his longstanding policy of non-alignment to convince the Soviets to stand by his side, as he told Podgorny during his visit to Cairo on June 21, 1967. His policy of pan-Arabism was to be aborted; the differentiation between progressive . and reactionary Arab regimes had disappeared, and Egypt's forces in Yemen were evacuated in a clear recognition of the preeminence of King Faisal of Saudi Arabia. No other words can describe the predominance of Egypt's territorialsecurity problem in the perception of its leaders like Nasser's own:

«On June 11, (after he was reinstated) I asked how many tanks were left, and they told me that only seven tanks had remained. I began, together with the Military Command, the difficult path to rebuild anew our armed forces. I used to talk to General Fawzi (the

Chief of Staff) every night before. I went to sleep and then I would call him at six o'clock in the morning to revise with him the military situation (from every aspect).

In fact, every political activity centered on, and revolved around, one goal; to address the national cause. Nasser's designs to revive the ASU were shelved and when in August 1967 he suggested a return to pluralism, the political leadership objected pending the removal of the consequences of the aggression. 16 His foreign policy also focused sharply on the same issue both in international fora and on the bilateral level. Time-pressure was evident in his drive to rebuild the army and regain the land before the status quo would become a fait accompli. For example, he visited Moscow twice in six months during 1970 with one issue on his agenda; to secure arms in order to repel the aggressor. The time factor was exacting its toll on the internal front; Egypt might have escaped total subjugation but the enemy was awaiting the final collapse, as President Sadat later elaborated:

«Time is passing, hence, we are furious with ourselves, within our societies and in our country, on account of the injury, bitterness, and pain occasioned by defeat. One of these days we explode and Israel will not have to fire a shot. It will have established

the fait accompli in Sinai, Gaza, Golan, the Western Bank and Jerusalem, in fact, everywhere.»17

Within this crisis-context, Egypt's decision makers were to formulate policies and strategies. The thrust was normally directed towards the Superpowers as sovereigns of the world and patrons of the warring clients. In that respect, different approaches were applied by the two men, Nasser and Sadat, but the ultimate goal remained fixed; to solve Egypt's territorial-security problem.

The Situation Under President Nasser:

Nasser started his post-defeat diplomacy with the conviction that IsraeI was in a position to dictate its will unless Egypt could persuade it otherwise; this was manifested in his slogan of 'what was taken by force should be regained by force.' Meanwhile, he realized that the conflict with Israel had taken another dimension with the neavy involvement of the U.S. on the enemy's side and the negative results of severing diplomatic relations with Washington. Egypt now had neither the luxury of its non-aligned posture between the Superpowers nor the opportunity to exploit their differences. What the country needed at that moment was a secure source of arms and strong political support.

Since the Soviet-Egyptian alliance was vague in nature, as we argued in the first chapter, Nasser was to develop ways and means to deepen Soviet involvement in the Middle East conflict, thus making it difficult for Moscow to abandon its commitments towards Egypt.

Part of his approach was to entrust Moscow with the role of Egypt's negotiator in global level diplomacy, especially as detente was gathering momentum. The Soviets could at least talk to the Americans «as one superpower to another» and, most important, they could make on Nasser's behalf, political concessions which his legacy inhibited him from making. 19

The American position was the most decisive one in the Middle East equation. Washington came to perceive that the outcome of the 1967 June War could be the perfect catalyst to produce a permanent settlement of the Arab-Israeli dispute; thus the territories occupied by Israel should be exchanged only for a genuine peace agreement. This American position was almost identical to the Israeli stance of using the land to persuade the Arabs to negotiate peace, as Foreign Minister Abba Eban elaborated:

«The Arab states can no longer be permitted to recognize Israel's existence only for the purpose of plotting its elimination. They have come face to face with us in conflict. Let them now come face to face with us in peace.»21

The new givens of the Middle East situation after 1967, namely Arab defeat and the established Israeli military superiority, were added assets to American global diplomacy. As long as time seemed on Israel's side, at least in the foreseeable future, 22 the U.S. could direct attention to more urgent issues such as the Vietnamese War and European security. 3 To ensure the prolongation of the status quo in the Middle East, the U.S. continued maintaining Israel's military superiority in quantitative and qualitative terms. 4 President Nixon elaborated on this approach:

«Once the balance of power shifts
(so that) Israel is weaker than
its neighbors, there will be a
war...We will do what is necessary
to maintain Israel's strength visa-vis its neighbors, not because
we want Israel to be in a position
to wage war - that is not it - but
because that is what will deter
its neighbors from attacking it.»25

American-Israeli intransigence and Nasser's refusal to compromise on his demand of total Israeli withdrawal from the occupied territories led to an unprecedented arms race in the region, which in turn pushed Egypt into more dependence on the Soviet Union. Consequently, Egypt was to grant the Soviet Union naval and aerial facilities and host a large number of Soviet advisors;

eventually, the Middle East conflict was completely polarized by the Superpowers.

By the beginning of 1969, Nasser seemed to modify his policy of 'what was taken by force should be regained by 'force'. In February he offered a five-point peace initiative for the Middle East consisting of «a declaration of, non-belligerence; the recognition of the right of each country to live in peace; (and of) the territorial integrity of all countries in the Middle East, including Israel, within recognized and secure borders; freedom of navigation on international waterways; a just solution to the Palestinian refugee problem. Though Nasser's initiative was an indication of his willingness to compromise and make concessions; it was immediately turned down by Israel. 27 The American response to Nasser's initiative, though & undeclared, was similar to Israel's. As long as he associated himself with the Palestinians, even in the mild form of refugees, his policies would remain unacceptable to the U.S. This American approach remained firm throughout the seventies, as Kissinger elaborated:

«But so long as Nasser was President, he paralyzed Egypt by ambivalence. On the one hand, he indicated a general willingness to participate in the peace process - but his program was unfulfillable. He demanded Israel's

withdrawal to the 1967 borders in return for Egyptian nonbelligerence; peace would depend on an Israeli settlement with Palestinians, even then demanding the destruction of the Jewish State.»²⁸

The modification in Nasser's policy was in recognition The war of attrition which he initiated of several factors. against Israel demonstrated the enemy's supremacy instead f of convincing Israel and its ally that the situation was highly explosive and thus forcing them to come to terms. This war, as well, highlighted Egypt's security problem and its vulnerability fo the enemy's punishment, which was carried out with relative impunity. But the most important lesson of this war was Egypt's inability, in the short run, to compete with Israel in the arms race and the related technological escalation. In fact, this lesson was not confined only to the leadership but was felt by the whole country. The disparity in military capabilities between Egypt and Israel was attributed to the large difference between the resources of the U.S. and those of the U.S.S.R., and subsequently, their military inputs in the conflict;

> «For however much assistance the Soviet Union might be prepared to give to the progressive (Arab) regimes by way of economic aid or arms, it would never be able

to compete with the resources of the U.S. and its friends in the Middle East.»²⁹

The failure of global diplomacy to produce even meagre results in resolving the conflict, either between the Big Two, the Big Four, or through the U.N., had raised doubts about the wisdom of the polarization of the conflict between the Superpowers. At that time, a strong trend led by Mohammed Heikal - Nasser's confidant - called for a fundamental change in Egypt's policy towards the Superpowers. Heikal argued that Egypt's policy of maintaining hostility towards the U.S. was inimical to its vital interests, and that if the U.S. could be at least 'neutralized' in the Arab-Israeli conflict, a satisfactory outcome would be achieved;

«The United States should not, contrary
to what so many agreed, be viewed as
the enemy in the same way that Israel
was.»30

Heikal's argument was a tacit recognition of the reality that as long as the U.S. remained Israel's primary ally, outmatching by far Soviet arms supplies to the region, a successful war against Israel would remain doubtful; thus the diplomatic option should be deployed simultaneously with the military. As we will see, Heikal continued the same argument after President Sadat came to power.

The modification of Nasser's policy became more explicit in 1970. As we discussed in the first chapter, twice during that year he travelled to Moscow, where his discussions reflected his deep anxiety over the prospects for Egypt's security let alone its capability to liberate the land. In May 1970, he publicly appealed to the U.S. President to launch an American initiative to solve the conflict with Israel; in July, he accepted the Rogers' Plan to start the process toward aspolitical settlement in the Middle East. Heikal tried to justify Nasser's acceptance of the Rogers' Plan by mere military tactical reasons; that Nasser wanted a breathing space to complete. building the łaunching sites of the SAM 3 batteries in the Canal Zone which were subjected to constant Israeli attacks. 31 But whatever Nasser's intentions were, the acceptance of the Rogers' initiative marked the first public recognition of the U.S. pre-eminence in the Middle East and the fact that it was the only power capable of bringing about a political settlement in the region.

One cannot exclude the possibility that the American move was partly a result of Egypt's intensive military build up and the fear that the military situation might explode with unpredictable ramifications. The Soviet Union was not only enhancing Egypt's military capabilities

but it became physically involved in the fighting across the Canal. In April 1970, Israeli jetfighters tried to penetrate Egypt's depth but were deterred when they intercepted an exchange in Russian between pilots manning Egyptian jetfighters. That was an unprecedented escalation of the conflict and the U.S. might have preferred to avoid it. Moreover, there were indications that the technological gap might be narrowing a Egypt, by the end of June, was able in one single day to destroy eight Israeli Phantom jetfighters. The Soviet Union seemed willing to further develop Egypt's aerial defences and their electronic warfare systems. 34

The First Phase: In Search of Alternatives (1970-1973):

A) A Preference for a Political Settlement:

This protracted crisis-situation became Sadat's burden in September 1970. Unlike Nasser, who dominated the popular constituency, Sadat lacked the personal attributes and the historical legacy that enabled his predecessor to hold power even after the defeat. He knew - from his proximity to events during Nasser's time - that the regime's mandate hinged solely on its ability to solve the national cause; this mandate was not unlimited in time, as popular unrest indicated in 1968. Sadat's awareness of this fact was

evident in his statements after he assumed power, as he never omitted mentioning the battle or reminding his fellow citizens of its urgency:

«The battle first, second and last. By battle, I do not mean just the fighting, I mean the total liberation of all Arab lands occupied by the 1967 aggression.» 35

Yet, his emergence coincided with unfavorable developments in both the Egyptian and the Arab positions. The war of attrition against the enemy, which succeeded in mobilizing the domestic and the Arab fronts behind Nasser despite its tremendous costs, ³⁶ had come to an end. Also the Palestinian Resistance, which provided a hope of revival to the Arab masses, was dealt a severe blow by Jordan in September 1970.

Prospects of diplomacy in the Middle East context were as bleak as ever. Under the Rogers' Plan, a ceasefire was achieved on the Canal front but without enough diplomatic follow-up. Jarring, the U.N. special envoy, was recalled to renew the fruitless effort of shuttling between Egypt and Israel without tangible achievements. In November 1970, Egypt unilaterally renewed the ceasefire in recognition of its predicament, while the American-Igraeli position remained firm in demánding peace agreements between the warring parties. Sadat then declared:

*The Israeli Premier and officials stated that America told them not to relinquish the occupied land unless a contractual agreement is reached with the Arabs, which means that the Israeli would sit at one table with the Arabs and impose a settlement on them.» 37

To add to his dilemma, Sadat from the very first moment of his presidency was involved in a fierce power struggle against Nasser's heirs, with the probability of a coup d'etat which could jeopardize his personal security. The only hope for his legitimacy that would allow him to prevail was a quick and honourable solution to the country's territorial-security problem. In fact, Sadat's destiny was to become part of Egypt's destiny and its ability to overcome the defeat. 38

The only advantage Sadat might have had was the fact that he came to power without previous commitments on salient issues of foreign policy which limited Nasser's manoeuver, such as Arabism, the Palestinian question, and the proper approach to solve the Arab-Israeli conflict. Moreover, he had neither been directly involved in the long-time friendship with the Soviet Union for in the enmity towards the U.S. That would give him relative freedom in reformulating Egypt's approach vis-a-vis the Superpowers.

Sadat's initial approach to Egypt's territorialsecurity problem was almost an extension of Nasser's; to continue military preparedness while exploring diplomatic The only difference lay in where each of them stood between the two options and how each calculated the costs and benefits of alternatives. While Nasser's legacy inhibited his diplomatic moves, his popular assets sustained the costly war of attrition. For Sadat, the military option undoubtedly had its own attraction of supporting a · shaky regime and relieving a besieged president. A successful war could be the means to gain legitimacy and the allegiance of the humiliated army as well as the way to the hearts and wealth of the oil-rich Arab countries who doubted Egypt's resolve. On the other hand, if the war-decision failed, the price could be beyond calculation; it would be the devastating force which would obliterate the regime and its leadership.

Egypt's military capabilities were clearly known to Sadat before assuming the presidency. He had witnessed the tremendous pressure which Nasser was subjected to in the arms race against Israel and how he was frustrated for three years. He had seen Nasser's endless efforts to convince the Soviets - sometimes to no avail - to balance American arms supplies to Israel. 39 Sadat would later

argue with the Soviet leadership to put him at least two steps and not ten steps behind Israel in the balance of forces. 40

Under these constraints and considerations, the maximum the military option could achieve - as would happen later - was to unfreeze the stalemate by challenging Israel's invincibility and demonstrate to the U.S. that the military situation in the Middle East was far from stable. That in turn might convince them to come to terms with Egypt and negotiate a political settlement. Sadat did not perceive the military option as a means to liberate the land but as a catalyst to bring about a settlement. In his words, what was needed was to 'set a fire', 41 a ten centimeter bridge-head on the east side of the Canal;

«I used to tell Nasser that if we could recapture even four inches of Sinai territory (by which I meant a foot-hold, pure and simple), and establish ourselves there so firmly that no power on earth could dislodge us, then the whole situation would change - east, west, all over.»

The expected limited results of the very costly military option gave precedence to the diplomatic alternative in Sadat's perception; but if diplomacy was to be deployed, there should have been a different approach from global diplomacy which for three years failed to produce any

tangible result. In short, Egypt would continue the direct dialogue with the U.S. which started in Nasser's time and was not fully tested. By virtue of its assistance to Israel and its vested interests in the Middle East region, the U.S. and not the Soviet Union was the only power capable of influencing Israel's decisions and eventually persuading her to accept an honourable solution to the conflict. Sadat made his conviction clear:

«He who refuses to communicate with the Americans, acts in fact like the ostrich which buries its head in the sand, since we knew who gives Israel Phantom planes as well as the loaf of bread.» 43

Later, Sadat would develop this conviction in his famous truism that the U.S. held 99% of the cards in the Middle East dispute:

«Í discovered that America holds 99% of the solution cards, and it is capable of settling the Arab-Israeli dispute.» 44

The same idea was propagated by Ismail Fahmy, who became Foreign Minister after the October War:

«Despite the fundamental problems which marred our relations with the United States, we had to recognize that there was little hope of making progress toward peace in the Middle East at this time other than relying on Kissinger and his step-by-step approach. The United States was the

only country with enough clout in the Middle East. The Soviet Union had isolated itself through its short-sighted policy of denying ' Egypt' arms.»⁴⁵

This new approach entailed a modification of Egypt's policy towards the superpowers. The fact that the Soviet Union was acting as Egypt's spokesman at the global level led to the polarization of the conflict between the giants and constrained Egypt's manoeuvre towards the U.S. A successful dialogue with the U.S. would require a degree of independence from Soviet diplomatic tutelage as a proof of Egypt's willingness to accept American mediation. The Middle East conflict was not only polarized but it was 'linked' as well to other issues of global concern, thus rendering trivial the role of the regional powers in any settlement. President Nixon revealed his 'linkage' strategy when he was asked about arms talks with the U.S.S.R.:

«What I want to do is to see to it that we have strategic arms talks in a way and at a time that will promote, if possible, progress on outstanding political problems at the same time - for example, on the problem of the Middle East and on other outstanding problems in which the United States and the Soviet Union, acting together, can serve the cause of peace.» 46

The opening towards the U.S. started as early as the day of Nasser's funeral, when Sadat told the American

envoy:

«All I want is peace. Let us work together for peace...I am prepared to go to any length to achieve it.» 47

These efforts continued in the ensuing months with a simultaneous rapprochement with Saudi Arabia. In the meantime, Sadat tried to project abroad an image of a peace-loving man who intended to distance himself from the Soviet orbit. In December 1970, while Vice-President Ali Sabri was away on a highly publicized visit to Moscow, Sadat passed the word to the State Department; «I want peace; move fast.» The message was a clear indication of his desire to work with the U.S. towards a political settlement irrespective of Moscow's position or that of its friends in the Egyptian government.

The American response to Sadat's initial efforts was not discouraging. In January 1971, Foreign Minister Riad received an oral message from Secretary Rogers appealing for a second extension of the ceasefire on the Canal front, which Sadat had previously declared he would not renew after February 7. In exchange, Rogers promised that Israel would submit new 'substantive ideas' immediately thereafter for a peaceful settlement. To avoid renewing the ceasefire as well as to offer the Israelis and the Americans considerable incentives, Sadat on February 4

declared his first peace initiative with significant concessions, as he proposed the reopening of the Suez Canal against a partial Israeli withdrawal, a major departure from Egypt's long standing insistence on total Israeli withdrawal.

What Sadat missed in his calculations at this stage' was the subtle lack of coordination on foreign policy issues between the State Department and the White House. While the former was pursuing an interim agreement on the Canal front, «the White House acted as if the State Department were a foreign sovereign power.» 50 House - dominated by Kissinger - saw no interest in imposing a settlement on Israel as long as Egypt maintained its close relationship with the Soviet Union. He was convinced that, «Sooner or later, either Egypt or some other State would recognize that reliance on Soviet support and radical rhetoric guaranteed the frustration of its aspirations.» 51 Thus, instead of pressuring Israel for 'substantive ideas', President Nixon, in his report to the Congress on February 25, strongly called for negotiations among the parties while omitting Sadat's initiative. 52

Sadat sought to reinforce his diplomacy by indicating to the U.S. that he was not abandoning the military option.

Consequently, at the beginning of March, he travelled to

Moscow apparently in quest of arms. However, a few days after his return he wrote a lengthy letter to President Nixon appealing for extensive American efforts to support his interim initiative; ⁵³ yet no American response materialized.

At the same time, the power struggle between Sadat . and Nasser's heirs was reaching its peak when Sadat dismissed Vice President Ali Sabri, Moscow's top friend in the Egyptian government, at the beginning of May. That might have been an incentive to the State Department, as the move clearly indicated Sadat's inclinations. Consequently, Secretary Rogers arrived in Cairo on May 4 to discuss Sadat's peace initiative; the first direct dialogue between Egypt and the U.S. in more than three years. But this substantial move was soon to be aborted by the signing of the Soviet-Egyptian Treaty on May 27; «Sadat hastened to inform the Americans that the treaty changed nothing; to demonstrate his continuing interest in an interim agreement, he called on Donald Bergus (the chief of the American mission in Cairo) on May 30 to discuss Egypt's terms for a settlement.» 54 Despite Sadat's clarifications, the Administration was baffled by the purpose of the Treaty and the gyrations that obscured Sadat's real intentions. 55, This confusion suited

Kissinger's strategy, as the Treaty had simply eased the pressure on President Nixon, either from Sadat or from his Saudi allies, to urge Israel to be more forthcoming;

"There simply did not appear to be grounds for an agreement. A quarrel with Israel at this time would serve no purpose, and it could only hurt the Administration."

In fact, the treaty had undermined Sadat's credibility, diminished his room for manoeuvre and, most importantly, demonstrated to the U.S. that he could not act independently. Sadat was aware that the Americans had earlier made explicit their demand to expel the Soviet advisors from Egypt; instead he confirmed their presence by the treaty. The impact of this development was reflected in the low level of diplomacy between Egypt and the U.S., which eventually came to a dead end, as Sadat elaborated:

. «As for the United States, a period of silence started with Rogers' departure early in May 1971 for Israel to see Golda Meir and went on for weeks. Throughout June and July I summoned the foreign diplomat looking after U.S. interests in Egypt and asked him to urge Rogers to inform me of the outcome of his talks in Israel, but to no avail.»57

The U.S. not only demonstrated its indifference to Sadat's overtures but also continued its military support to

Israel. The result was the freezing of his peace initiative and the narrowing of Egypt's alternatives:

«To say the least, the Egyptians were disappointed. At worst, the Americans had played Sadat for a fool...Not only had he failed to win the Americans to his side, but the Americans were considering new arms agreements with Israel. Frustrated and humiliated, Sadat decided to abandon the interimsettlement idea.» 58

The conclusion of the Soviet-Egyptian Treaty pushed Sadat back to his starting point in late 1970 but without the possibility of an American overture. During the summer of 1971, the seemed to divert more attention to military preparedness and his first meeting with the Supreme Council of the Armed Forces (SCAF) to discuss. the military situation was held in June 1971. 59 As mentioned before, he travelled to Moscow in March with arms requests and urged Podgorny, while concluding the Treaty, to expedite deliveries. He pleaded with the masses for patience, for the war required further training and preparation. 60 He recoined slogans such as 'no voice louder than that of the battle' to calm the growing popular discontent with the continued inability of the regime to address the national cause, 61 ·after he purged those whom he depicted as the reason for the regime's deficiency.

was designed for local consumption, besides pressuring the U.S. and the U.S.S.R., as discussed in the first chapter; nothing had dramatically changed in the military situation during the first half of 1971 to make this option more appealing. To buy time, he declared that 1971 would be the 'year of decision' either by war or by peace. The reason - one could argue - was to find an excuse to present to the people for not fighting; because the Soviets failed to deliver arms and the Americans hindered peace. For, despite increased Soviet military assistance after Sadat's visit to Moscow in October 1971, the cost of war remained as inhibiting as ever. The British journalist David Hirst wrote in February 1972:

«It is becoming obvious that Egypt's insatiable appetite for new and better weapons, though a perfectly natural response to Israel's ever-growing armoury, at the same time reflects a psychological need: it rationalizes their fears of using the ones they have.»63

Throughout 1971 contacts with the Americans never ceased, though on lower levels. Besides meeting frequently with the head of the U.S.Interests Mission in Cairo, Sadat in July 1971 received Michael Sterner, the Egyptian desk officer in the State Department. Sterner questioned

him on the Soviet-Egyptian Treaty and promised to relay his findings to President Nixon so as to - in Sadat's words - start «the ball rolling for a peaceful solution to be reached.» Moreover, in September Secretary Rogers met with Foreign Minister Riad in Washington in another attempt to revive Sadat's February peace initiative but without results. 65

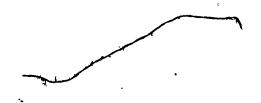
These fruitless efforts of the State Department alerted Sadat by the beginning of 1972 to the lack of coordination between the State Department and the White House on foreign policy issues, and to the fact that the real power resided in the hands of Henry Kissinger, the American National Security Adviser. 66 Consequently, Sadat followed President Nixon's advice about 'quiet diplomatic channels' and opened a secret dialogue with the U.S. through the intelligence agencies of both countries. 67

Sadat's renewed efforts did not draw the attention of Kissinger, who seemed preoccupied by other urgent global issues, especially detente and the possibility of a dramatic development in Soviet-American relations. As long as Israel's military might guarantee the Middle East status quo, he saw no urgency to devote efforts to the complicated conflict;

«Both men (Nixon and Kissinger) were preoccupied with the dangers of nuclear war; both were intrigued by the possibility of establishing a new relationship with the Soviet Union that would ensure global stability and minimize the risks of confrontation...»68

Thus, by the spring 1972, Sadat was virtually left with only the war option, which both he and the High Command were not ready at that stage to contemplate. To avoid internal pressures, either from the masses or the army, and to demonstrate to the U.S. that the military situation could further deteriorate, he turned his attention to get more arms from Moscow. He visited the Soviet Union in February and April 1972 and, as we discussed in the first chapter, the Soviets substantially increased arms transfers to Egypt.

offered Sadat a multiple opportunity to postpone the war decision while offering the Americans a new diplomatic initiative loaded with incentives. Consequently, in July 1972, he ordered the expulsion of Soviet advisors from Egypt under the pretext of a perceived collusion between the Superpowers in the Summit. In fact, the decision suited two of Sadat's goals; to find an excuse not to fight and to meet Kissinger's preconditions in



order to activate the American role in solving the conflict. Significantly, Sadat instructed Egypt's National Security Advisor to be ready for a constructive dialogue with the U.S. But Kissinger saw no reason to pay for something that was done at no expense at all and thus ignored Sadat's dramatic initiative, as he later reflected:

«I had had trouble understanding why Sadat had not sought to negotiate their departure with us instead of giving it to us for nothing.» 70

The period between July 1972 and October 1973, one could argue, was the time during which Sadat became determined to use the military option as a prelude to diplomacy. Contacts with the U.S. were confined to intelligence channels until February 1973, when a meeting took place between Kissinger and Hafez Ismail, Egypt's national security advisor; the result increased Sadat's despair of a substantial move in the Middle East by diplomacy alone. Kissinger told Ismail that Egypt - the defeated party - was in no position to make demands of Israel and that it should offer concessions instead. Sadat reflected on his frustration over U.S. policy in April 1974:—

«Everything I have done leads to pressures for more concessions.... Every door I have opened has been slammed in my face by Israel - with the blessing of America.»72

During the same period, internal discontent took a dangerous passive form. The masses seemed to realize that the regime was not only impotent to address the national cause but it was also using the call for the 'battle' to cling to power. The turmoil was expressed in an 'open letter' written by some members of the Writers' Association during March 1973 and addressed to the President; the letter emphasized the state of university graduates who were drafted in the army for years on end for a battle which seemed to be growing more and more elusive. 73 The discontent was felt among the military as well; in October 1972 an army officer led his troops into Cairo calling for an 'immediate' war against the Heikal summed up the situation in a few well chosen words:

«It was not just the Armed forces that discontent erupted. The whole nation was becoming restless, continually, exhorted to prepare for a climax which never materialized.» 76

This social agitation indicated that Sadat - despite steps taken towards democratization and cleansing the country from the 'centres' of power' - was clearly denied legitimacy for his failure to address the national cause.

Sadat was deprived of his valid and ready excuse for not fighting when the Soviet Union stepped up arms supplies to Egypt despite the strained relations between the two countries after the expulsion of the Soviet advisors. It was, as Sadat said, «as if all taps (of weaponry) had been turned on. It looks as if (the Soviets) want to push me into a battle.» Finally, Sadat had to confront the war decision which he was unable to defer any longer.

B) The October War:

Using the military option on October 6, 1973 was consistent with Sadat's conviction that a military assault could achieve little on the ground and thus should be complemented by a diplomatic initiative to settle the conflict. A war to liberate all Sinai was not feasible since the Egyptian army could only progress a few kilometers while Israel dominated the skies; in other words, the goal of the war was to challenge Israel's sense of invincibility and demonstrate to the U.S. the volatility of the situation. This strategy was more than clear in Sadat's 'war directive' issued to the Commander-in-Chief' of the Armed Forces on October 3, 1973:

«To challenge the Israeli Sécurity

Theory by carrying out a military action according to the capabilities of the armed forces aimed at inflicting the heaviest losses on the enemy and convincing him that continued occupation of our land exacts a price that is too high for him to pay...»77

Later on, Kissinger would support the same assumption:

«Sadat aimed not for territorial gain but for a crisis that would alter the attitudes in which the parties were then frozen - and thereby open the way for negotiations.» 78

During the war, Sadat cleverly concealed this strategy and maintained that he launched the offensive to liberate the occupied land, as he told his critics later on:

«I say to those who claimed that I have waged a war for peace and not a war for liberation, that I had no contacts with the U.S. before the (October) war.» 79

The reason for this discretion could be related to several factors. First, his need to guarantee a steady flow of Soviet arms during and after the war; for the Soviets might have behaved differently had they known his real intentions. They would have refused the use of their weapons and their political clout to bring about a purely American diplomatic settlement, as we will see later. Second, Sadat wanted to secure Arab financial support and later their investments in Egypt. Had the Arabs realized that the October War would be a war

wanted the October War to be the beginning of a new sustained war against Israel. Third, as part of the war effort, Sadat sought to mobilize the home front behind him and subsequently establish his legitimacy. Had he told his fellow citizens that this would be the war to 'end all wars', they might have denied him what he yearned for. But while Sadat kept his war intentions secret from his Soviet ally and Arab financiers, he hastened to relay it to the Americans indicating clearly that his offensive was launched only to unfreeze the diplomatic stalemate, not to liberate Sinai. On October 7, the second day of the war, Hafez Ismail wrote to Kissinger:

«We do not intend to deepen the (military) engagement or widen the confrontation.»81

But initiating a war is one thing and deciding its outcome is another. It might be true - as Heikal claimed - that Kissinger in the summer of 1973 hinted to Egypt that as long as the Middle East situation remained dormant the U.S. saw no urgency to intervene but this attitude could be changed if the situation was a little heated. Heikal as well asserted that David Rockefeller - Kissinger's patron - had secretly visited Sadat in September 1973 where he relayed a similar point of view.

This heating up of the situation moved against all expectations, especially during the first two days of the war, as the Egyptian and Syrian armies made significant gains on the ground and the Soviet Union appeared as the champion of the Arab cause. Kissinger might have wanted a little heating-up but not to the extent of forcing Israel's hand and giving the advantage to the Soviet Union. Consequently, he avoided vigorous diplomatic actions and played for time to allow Israel to regain the initiative;

«The Soviets as well as Sadat were manoeuvering to allow the fighting to determine the outcome of the war. Since we were convinced that Israel would soon gain the upper hand, this suited our own purpose as well.84

Kissinger was not only determined to deny Egypt a relatively powerful position in post-war diplomacy but he also strove to push the Arab side to the brink of defeat before hastening to save them, a strategy that largely succeeded during and after the war:

«Our ally (Israel) would have repulsed an attack by Soviet weapons. We could begin our peace process with the Arabs on the proposition that we had stopped the Israeli advance and with the Israelis on the basis that we had been steadfastly at their side in the crisis.» 85

The course of the war had the most profound impact

on Sadat's perception. Not only did it augment his conviction that the U.S. was the most dominating factor in the Middle East equation and that it held the key to war and peace but, most importantly, the U.S. had rendered Egypt's military option obsolete even in its limited sense. The U.S. escalation of the war was beyond Arab capabilities and Soviet assistance. Sadat reflected on how the U.S. provided Israel With highly sophisticated weapons - never introduced before in the Middle East - which caught him unprepared. The fear of another defeat loomed and the futility of using arms was evident:

«It was obvious now that the United States could destroy my entire air defense system with the T.V. camera bombs and thus give the Israelis the 'open skies' of Egypt they had enjoyed in 1967.»86

The U.S. role persisted in Sadat's perception two months after the ceasefire when internal pressure mounted demanding the liquidation of the Israeli salient established on the West Bank of the Canal during the war. He later told the Third Army corps:

«Frankly, my dear sons, it was Kissinger who prevented me from achieving this mission...When I met him on December 11 and 12 I asked him about America's attitude because as I told you, it was America's attitude which made me accept the ceasefire... I was not ready to sacrifice my sons, or my army and weapons, or my people, or my barrages, installations and factories... America had forced me out of the battle...»87

On the other hand, he drew another conclusion from the war concerning the Soviet position. Despite the substantial assistance extended to Egypt by the Soviets during and after the war, as explained in the first chapter, Sadat put the Soviets in the same camp as the Americans, who opposed Egypt's drive to defeat Israel and liberate the land;

«The world did not allow us to inflict a complete defeat upon Israel...we will not fight the entire world.»88

He supported this conclusion by comparing the size of military aid each Superpower had extended to the warring parties; a comparison that carried the seeds of incrimination for the Soviet Union, thus rendering the argument of continuing the armed struggle against Israel futile:

«This (the U.S. air lift to Israel) could not be possibly compared to the air-bridge that the Soviets had set up for us. The U.S. interfered with its highly sophisticated arms, throwing all its weight in the battle, while the other was delivering some of the arms agreed upon by virtue of contracts that

were long overdue...However, the tanks I asked for from the Soviet Union reached me one week after the ceasefire.»89

The last few hours of the fighting (October 24/25) witnessed a spectacular demonstration of U.S. pre-eminence in Middle East affairs; for the U.S. was able to persuade Israel to Tespect the ceasefire resolution of October 22 and thus stopped a possible Israeli march into Egypt's heartland. The significance of this American demonstration lay not only in sparing Egypt an Israeli invasion but also in allowing Sadat to claim 'victory' afterwards. Moreover, it pre-empted an imminent Soviet military action on Egypt's side and thus gained the credit for saving Egypt and peace as well. To cut the Soviet Union short and respond to Sadat's overtures, Kissinger flew to the Middle East a few days after hostilities ceased. On his way he made a remark that coincided with Sadat's convictions:

«Others can give weapons but only
the United States can give
territory.»90

In Egypt, Kissinger gave Sadat further incentives by relieving the besieged Egyptian Third Army trapped by Israel on the east bank of the Canal. This action removed the tremendous pressure on Sadat from the army to rescue their comrades by force, thus risking another war decision.

The Second Phase: The Discovery of Alternatives, 1973-1976

This phase witnessed the manifestation of Sadat's deep conviction that the military option had proven futile and that the U.S. was the only power capable of solving Egypt's territorial-security problem; thus the Soviet Union should be set aside to start the peace process without obstacles. The problem which would confront Sadat throughout this phase was how to sever the Soviet connection while keeping its facade intact for domestic and Arab purposes. To this end he succeeded in building an anti-Soviet pressure system to justify his policies of disassociating from the U.S.S.R. and associating with the U.S., as we will see in further discussions.

Sadat, whose real war intentions were to create an international crisis, was ready with a diplomatic initiative to complement his military offensive. In his address in the middle of the war to the People's Assembly, he offered to attend a peace conference at the United Nations to negotiate a peaceful settlement to the Middle East conflict and to reopen the Suez Canal, a gesture which signified Egypt's peaceful intentions. 92 The idea of a peace conference was designed to minimize the polarization of the conflict between the Superpowers and to demonstrate Egypt's willingness to act independently of

the Soviet Union. A day earlier, Sadat, in a message to Kissinger, indicated his intentions to speak directly to the U.S. and invited him to visit Egypt to discuss cany subject, proposal or project.»

exclusively directed towards the U.S. without any consultation with the Soviet Union as an ally. On October 29, Ismail Fahmy*, Egypt's new Foreign Minister was despatched to , Washington to meet with President Nixon and Secretary of State Kissinger. He presented a package of incentives including the reopening of the Suez Canal, lifting the blockade of Bab al-Mandab strait and the restoration of diplomatic relations with the U.S. at an early date. Fahmy - who was to be charged with Egypt's American rapprochement for years to come - emphasized the importance of direct contacts with the U.S. away from Soviet tutelage; of a concept and change of priorities which will dominate Egypt's foreign policy later on.

As evidence would suggest, part of Sadat's post-war diplomacy was to disassociate Egypt from its Arab brothers in the war with Israel, thus widening his space of manoeuvre in solving Egypt's particular territorial-security problem.

^{*} At that time Fahmy was acting Foreign Minister. He was appointed on October 31.

He perceived that associating Egypt's problem with the durable Palestinian one would frustrate Egypt's pressing need to solve its own. This approach was clearly indicated by Fahmy in his first encounter with the Americans when he told Kissinger:

Whe have no interest in putting Israel into the sea or invading Israel, irrespective of the Palestinian situation.»96

Kissinger further elaborated that:

«Fahmy left no doubt that (Egypt) would not 'let the Palestinians stand in the way of a solution..» 97

This change of priorities enhanced the need to alienate the Soviet Union from post-war diplomacy for fear that its policy of advocating a comprehensive solution in the Middle East would hinder Egypt's course. This rationale coincided with the U.S. prerequisite to expel the U.S.S.R. in order to activate its role in solving Egypt's conflict with Israel. This became apparent in the minor role assigned to Moscow during the Geneva Conference of January 1974. Kissinger later elaborated:

«A major Soviet role seemed much less desirable, perhaps even dangerous, because Moscow could appear as the spokesman of radical concerns and thus obstruct what Sadat considered attainable.» 99

The rationale followed that if a peaceful solution was to be reached, only the U.S. could guarantee its durability. Thus, forging strong ties with Washington was not only a matter of expediency to solve Egypt's territorial problem but was also the best assurance in the long run of Egypt's security. Exclusive dependence on the Soviet Union did not deter Israel from invading Egypt twice, while it was the U.S. which compelled Israel to withdraw in 1956 and to halt its advance towards Egypt proper in 1973.

Sadat's design was not an easy task, as it was constrained by factors related to Egypt's domestic and Arab policies. However, in Kissinger's words, «it was only a matter of time and skill..» The war achievements though moderate - enhanced the position of the socialist segment of the society which perceived that, without Soviet arms, Egypt would not have gone to war. In addition, the army was also pressuring Sadat for arms since the country was in a state of war and needed to balance the extensive U.S. military aid to Israel during and after the war.

To overcome this situation and to justify his imminent shift, Sadat embarked on a long campaign of undermining the Soviet position and discrediting Soviet arms irrespective of the advice of his Foreign Minister,

who stated:

«As to the Egyptian-Soviet relation—ship, it was not in the best interests of Egypt to provoke the Soviet Union and its leadership, either on the bilateral level or on the international plane. We should not abruptly shift away from Moscow, and our communication line with the Soviets should be kept intact. I thus advised President Sadat to avoid open and violent criticism of the Soviet leadership. There was no purpose in eliminating the Soviet Union from the peace process and giving the United States the monopoly it sought.»101

On April 18, 1974, in a major address to the People's Assembly, Sadat declared his decision to diversify Egypt's arms resources as a result of the Soviet refusal to respond to requests for arms for six months after October 1973;

«They were ordinary requests and yet they have been under examination (by the Soviets) for six months. Out of these six months, one was a critical month, November, the month immediately following the gap (the Israeli counter attack). I don't see how this can be still under study.» 102

One could discern Sadat's inconsistency on this topic. We referred in the first chapter (footnote 133) to what the Soviet Ambassador in Cairo told former Foreign Minister Mahmoud Riad in November 1973; that the Soviet Union had provided Egypt after the ceasefire with 400

tanks. Heikal asserted as well that:

When General Sharon's crossing of the Canal had been identified (on October 13/14), President Sadat. was then informed through the Russian ambassador in Cairo that the Central Committee (of the CPSU) had agreed to make Egypt a present of 250 tanks and was encouraging other governments to make similar contributions.»103

«During the December (1974)—visit (by Foreign Minister Fahmy to Moscow), the Soviet Union released arms included in deals concluded between us previously and which were due to be delivered to us in 1973, and 1974. However, these deals began to arrive as of January 1975; the Soviet Union has declared that it was not ready to discuss compensation for our losses.» 105

He would forge interesting themes to support his campaign, such as the refusal of Moscow to 'compensate' Egypt's arms losses or to 'replace' them. The irony here is that

while Sadat was frustrating and undermining Soviet interests in the Middle East - as we will see - he was demanding compensation for a war in which he had sought to limit Soviet diplomatic involvement. He was relegating the Soviet Union to a mere arms merchant; a status which Moscow vehemently refused.

The frequency of these themes was extensive in his statements; for example:

«We have some observations regarding the situation with the Soviet Union, among which are its reluctance up to this moment to compensate us for the arms we lost in the battle.» 106

and

«I had suffered previously from inability to make up for the losses in certain weapons from the Soviet Union...» 107

Again he would remind his listeners of the attitudes of 'each Superpower towards its client during the war, implying Soviet indifference to Egypt's cause:

«We lost 120 planes and were not compensated for one single plane for eleven months...At the same time Israel was compensated (by the U.S.) for all its planes even with their pilots before the end of the battle..»108

Though Egypt was delaying payment of its military debts to Moscow, Sadat would claim that he was ready to 'pay'

for arms replacement while the Soviet Union refused, 109 a claim which was discredited by his own Foreign Minister.

When Fahmy met with Gromyko in March 1976 after the abrogation of the Soviet-Egyptian Treaty, the Soviet Foreign Minister showed Moscow's willingness to supply arms but not on the previous special terms. But, "when it became clear in Egypt that the Soviet Union was ready to sell arms...many voices were raised, arguing that if this was the case we should turn elsewhere for our purchases." Sadat's was one of these voices:

«The Soviet weapons are usually more expensive because (they are) less old than the Western ones, and, if we add the 2.5 percent interest rate charged by the Soviet Union on its arms deals, the Western weapons turn out to be less expensive in the long run.»111

The issue of Soviet arms was even used to justify Egypt's tacit refusal to reconvene the Geneva Conference and eventually the Soviet Union was to be blamed:

«My insistence on being compensated for the arms we lost before going to Geneva, (is that) I do not want to go to a negotiating table while I am still in a weak position...» 112

In addition to the internal factors, Sadat might have maintained the fragile Soviet connection through 1974 and 1975 to neutralize Arab opposition to his policies. He knew that a sudden severance of this

connection would turn Syria completely against him and would uncover his intentions to sacrifice the Arab cause for Egypt's particular interests. That in turn could lead to a rupture in the Saudi-Egyptian alliance and a reconsideration of the oil-rich states' financial aid.

The improvement in Egyptian relations with the U.S. developed parallel to the deterioration of its relations with the U.S.S.R. after the October War. Through Kissinger's mediation, Egypt signed the First Disengagement Agreement with Israel in January 1974 and by the end of February diplomatic relations between Cairo and Washington were restored. Sadat's role in lifting the oil embargo, imposed on the U.S. by the Arabs during the October War, was recognizable; he might have used this as an incentive to the American President, who was under considerable domestic pressure as a result of the Watergate debacle. Sadat manoeuvered to offset the Syrian and Libyan opposition in that respect 113-and to obtain the Saudis' consent, as he promised Kissinger:

«In Aswan on January 14 (1974), (Sadat) repeated his promise to visit Riyadh as soon as the Sinai disengagement was achieved. He was confident that he could have the embargo ended no later than January 28.»114

In June 1974, President Nixon visited Cairo where he was warmly received and where he offered an aid-package of two billion dollars including the building of nuclear reactors. In fact, this visit was, in Foreign Minister Fahmy's words, "part of the process of removing Egypt from the Soviet garage and helping us regain our complete independence, showing that we would deal with both Superpowers."

The tilt towards the 8.2. was accompanied by a complete reversal in Egypt's security concerns. Sadat's conviction that a friendly relationship with America would be enough assurance of Egypt's security was evident in the course of negotiating the First Disengagement Agreement with Kissinger. Sadat agreed, despite the opposition of his aides, to drastically reduce Egypt's military presence on the east bank of the Canal. As Fahmy reflected:

«Sadat had singlehandedly given away all that the Egyptian army had won with great effort and sacrifice. Without consulting anybody, he had caved in to the Israeli request that the Egyptian military presence east of the Canal be reduced to nothing.»117

Moreover, Sadat was quite ready to allow a dramatic change in the balance of forces between Egypt and Israel

without making the least effort to halt theis development. While he kept escalating his anti-Soviet campaign, thereby reducing to the minimum Egypt's supplies from the U.S.S.R., he made no effort until October 1975 to ask Washington to replace Moscow in that respect. He did not object to lavish American supplies as an incentive to Israel to sign the First Disengagement Agreement and he did not raise the issue of Egypt's armament during the Nixon visit;

«In fact, military cooperation between the U.S. and Egypt was not even formally discussed (during the visit) until a later date, and even then with considerable lack of success...(while) American weapons kept on pouring into Israel.»

The same attitude was evident as well in the Second Disengagement Agreement of September 1975;

«In return for a 30-mile withdrawal, Israel got a package of arms sophisticated enough to devastate Egyptian defenses regardless of the truce line.»119

Sadat's response to this development was mild regret rather than a strong objection to the American policy;

«I seize this opportunity to express our worry and objection to any escaldtion on the part of America as regards the arming of Israel and particularly the kind of weapons (the Pershing missile) she is providing it with. For this is incompatible with the role America is now playing in the area.»120

The reversal of Egypt's security concerns became more explicit as Sadat perceived that the threat to his country emanated not from Israel but rather from the Soviet Union, as he told an American Congressional delegation:

«You know that since long ago the Soviet Union has been seeking warm waters (i.e. the Mediterranean). For myself, I must tell you frankly and freely that even if the matter called for fighting I would fight to remain independent.» 121

This remark came a few days before the conclusion of the Second Disengagement Agreement, which convinced Sadat that he did not need the Soviet Union any longer and that Egypt's territorial-security problem was on the right track towards solution;

«After the signing of the second disengagement Sadat was even more certain that he did not need the Soviet Union and that the entire solution of the Middle East conflict could only come from the United States. He thus did nothing to bring about a reconciliation with the U.S.S.R. Instead, he escalated his campaign of verbal abuse against it, and was answered in kind by the Soviets. Relations steadily deteriorated.» 122

With the Second Disengagement Agreement at hand stipulating that the conflict with Israel «should not be resolved by military force,» 123 Sadat felt that

Egypt's territorial-security problem was finally on the road to resolution and that the U.S. had proven beyond doubt that it could deliver peace. That in turn enhanced his conviction that close cooperation with the U.S. was a vital need for Egypt's security. In October 1975 he travelled to Washington for the first time as President, where he appealed for American weapons. The Americans agreed, after much controversy, to sell Egypt six American C-130's which were financed by Saudi Arabia. In March 1976, Sadat completed his course of disassociating Egypt from the U.S.S.R. by declaring unilaterally the abrogation of the Soviet-Egyptian Treaty, thus ending two decades of Soviet-Egyptian alliance.

In 1981, President Sadat made an unusual statement in which he summed up his efforts for ten years to 'correct' Egypt's foreign course and reverse its security concerns:

«Personally, I do not fear to join NATO. The danger that threatens us (Egypt and the Western alliance) is one. Furthermore, the U.S. does not impinge on Egypt's sovereignty or that of any member of NATO. And though France has no American military bases on its territory, it would call America the moment it becomes exposed to danger. Then no Frenchman will say that his country is under American occupation.» 126

Conclusion:

During the first phase, 1970-1973, we can see beyond a doubt that the resolution of Egypt's territorial-security problem was the major concern of President Sadat and his The burden of the Israeli occupation of Sinai was intolerable in terms of internal and external security, social stability, and the economy, let along the sweeping The urgency of the situation was sense of humiliation. almost a daily anxiety, as Israel was raiding the country in depth with relative impunity. Sadat had witnessed during Nasser's time - how Israel constantly refused to implement U.N. resolution 242 and insisted on dictating peace treaties with its defeated neighbours before returning the occupied territories. In 1969, Prime Minister Meir made the Israeli position more than clear when she declared that 'signed peace treaties' are the only acceptable follow-up to the U.N. Ceasefire Resolution of 1967. 127

Sadat started reassessing the situation based on the conclusions drawn from the three years' war of attrition (1968-1970); that the prospects of a successful war to solve Egypt's territorial-security problem was becoming a remote possibility. Two factors had enhanced this conclusion; Israel's rapidly growing military superiority, based on U.S. assistance, and the reluctance, or rather

the unwillingness, of the Soviet Union to match the inflated Israeli arsenal. The maximum the military option could achieve was to unfreeze the diplomatic stalemate without much achievement on the ground. Yet, the military option in this limited sense was not enough guarantee that the conflict with Israel could be resolved and carried with it substantial costs as well as the possibility of another defeat. What was needed was a substantial change in the inherited attitudes of the involved parties instead . of Nasser's policy of reliance on the U.S.S.R. and enmity towards the U.S., which resulted in the polarization of the If the U.S. position of unequivocal support for Israel could be moderated, a peaceful solution to the conflict would be attainable. It was the U.S. and not the Soviet Union which possessed most of the leverage on Israeli policy. Consequently, if the military option was to be set aside, the dependency relationship with the Soviet Union would lose its urgency since peace could only be guaranteed by the power which can deliver it, namely the U.S.

From the previous premises, Sadat started his drive to improve relations with the U.S. by offering it substantial incentives, especially the expulsion of the Soviet advisors from Egypt in July 1972. But Sadat's incentives between 1971 and 1973 were not enough motivation to induce American

diplomacy, which seemed preoccupied with more urgent global issues. Consequently, he came to the conclusion that he should demonstrate to the U.S. that it could not rely indefinitely on the stability of the status quo in the Middle East. Thus, by the beginning of 1973, the military option, which he tried to avoid for two years, was becoming a dire necessity.

The October War did in fact induce American diplomacy to act vigorously in the Middle East conflict and the U.S. was able, in a short while, to bring about some spectacular results. But the most important lesson drawn by Sadat from the war was that the military option had become obsolete by virtue of the American intervention on Israel's side. The modest war achievements on the ground were rather inconsistent with the hardships Egypt had endured for more than six years. Thus, since there was no sign that the U.S. would desert its Israeli ally in the foreseeable future, Sadat perceived that Egypt's interests could be better served by continuing the peace process started by the U.S., even if that entailed a complete severance of Egypt's Soviet connection.

The second phase 1973-1976, witnessed the manifestation of Sadat's policy of alienating the Soviet Union and bringing in the U.S. He consistently moved in two

parallel lines; to improve relations with Washington and move away from Moscow. During this phase, no consideration deterred Sadat from provoking the Soviet Union, as he initiated a long and abusive anti-Soviet campaign until he abrogated the Soviet-Egyptian Treaty in March 1976.

Despite the fact that Sadat's shift of alliances had resulted initially in the restoration of a substantial part of Sinai and the amelioration of Egypt's security problem, these policies deserve a critique. Some broad questions could be raised in this respect: . first, was the territorial-security problem enough reason to initiate a total shift in Egypt's relationship with the Superpowers or was it sufficient to initiate only a partial shift? In other words, was Egypt able - especially after the October War - to bring about a satisfactory solution to its territorial-security problem while maintaining a balanced relationship with both Superpowers? A second question was whether total cooperation with the U.S. and the full alienation of the U.S.S.R. succeeded in solving Egypt's security problem in the long run?

To answer the first question, one could argue that resolving Egypt's territorial-security problem was the most pressing need for the Sadat regime and that to

reach this end Egypt was justified in exploring all available alternatives, even total alliance with the U.S. This reasoning might be valid in the period that preceded the October War, when Egypt was in no position to alter the status quo. But the war had dramatically changed the givens of the situation, as Egypt proved capable of changing realities on the ground and endangering world No other situation but the October War'had warranted an American nuclear alert and no other crisis had dangerous consequences for the Western alliance like the Arab oil embargo of 1973. Kissinger did not hasten to the Middle East in the wake of the war to solve Egypt's conflict with Israel only but rather to solve a far reaching international crisis. In other words, it was the Soviet arms used by Egypt which prompted the U.S. active role in the conflict and not any signals from Sadat that he was changing direction. point, the American active role ceased to function after the conclusion of the Second Disengagement Agreement in September 1975. The U.S. saw no urgency to attend to the Middle East situation since Egypt had almost completely relinquished the military option and severed the last thread in the Soviet connection by abrogating the Soviet-Egyptian Treaty. It took Egypt six more

years to regain the rest of Sinai under the same conditions layed down by Meir in 1969, namely to sign a peace treaty.

The territorial-security problem then, could justify a partial and not a total shift in Egypt's external direction. Egypt could have capitalized on the American overture in the wake of the war while demonstrating at the same time its independent posture by decreasing its reliance on the Soviet Union, at least to keep its options open.

An affirmative answer to the second question of whether Egypt's security problem was resolved by associating with the U.S. and disassociating from the U.S.S.R., is doubtful. Even a peace treaty between Egypt and Israel could not dissolve the inherited seeds of their conflict, since both maintained contradictory interests in the Arab world. In other words, the possibility of a serious dispute between the two countries is as valid as ever. The Israeli leaders did not hide their threats to reoccupy Sinai at the first sign of an Egyptian deviation and it remains the prerogative of those leaders to decide the seriousness of such deviation;

«Israeli leaders have clearly stated that they have military plans for reoccupying the Sinai, should that become necessary. Defence Minister Ezer Weizman publicly said that 'if

there is a change in Egyptian positions, we will simply enter Sinai a fourth time. ** **128

That leads to questioning the wisdom of relinquishing the military option and, subsequently, friendly relations with Moscow as a means of diplomatic persuasion. Depending on the U.S. for Egypt's armament would guarantee as always Israel's military superiority. As Foreign Minister Fahmy stated:

«(I)t is against the national interest of Egypt to depend on the United States for arms. The United States is Israel's arms supplier and the United States will always aim at maintaining Israel's military superiority.»129

to nuclear arms; it has been established that Israel possesses nuclear weapons and their delivery systems. 130 The question now is who would deter Israel if it decided to use its nuclear capabilities against Egypt? In fact, Egypt has to depend solely in this respect on the rationality of the Israeli decision makers since it lost even the remote possibility of a Soviet retaliation. It was reported during the October War in 1973, in the context of information that Israel was deploying nuclear warheads to be used against Egypt and Syria, that the Soviet Union acted by putting at Egypt's disposal similar

weapons to be used in retaliation. 131 This information was further confirmed in recent years 132 and could be discerned as well from a statement by Brezhnev to Foreign Minister Fahmy when they met in January 1974:

«Brezhnev also declared that after the first ten days of fighting in October 1973 an extraordinary catastrophe was threatening the Egyptian army. He did not elaborate on this point but he intentionally said: 'We took serious decisions which made everybody know our intentions. These decisions were extraordinary in nature, and had major consequences. We also made our position very clear to the United States through the approprivate channels.'»133

In conclusion, Egypt's territorial-security problem was enough reason to prompt a partial shift in its foreign course by opting for a balanced relationship with both Superpowers. But it was not enough reason to jump from one alliance to the other, since the alliance with the U.S. did not lessen Egypt's security concerns.

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CHAPTER III

THE ECONOMIC EXPLANATION

INTRODUCTION

The economic explanation stresses the seriousness of Egypt's economic situation as the major factor in the reorientation of its foreign policy towards the Superpowers during the seventies. In fact, the role of the economy in shaping Egypt's choices and alliances in the external sphere had started as early as the late fifties. A great deal of foreign policy activity was designed to maximize economic gains, especially from the Superpowers, by impressing Egypt's importance as, a regional power and as a key actor in Third World politics. The correlation between economy and foreign policy became more explicit during the seventies as the Egyptian economy stood on the verge of collapse as a result of several factors, amongst them the awesome military expenditure.

For the economic argument to be valid two things have to be demonstrated. The first is that Egypt's economic situation by the beginning of the seventies was extremely serious and steadily deteriorating and that short term solutions had failed to bail it out.

There seemed to be a sense of despair that, whatever local resources the country could mobilize and develop and whatever meagre or sporadic foreign aid it could obtain, the growing economic needs and the population explosion were certain to undermine them. What was needed, in President Sadat's words, was 'a blood transfusion' to help the ailing economy. In other words, Egypt had to induce foreign investment and massive economic assistance even if that required a shift of alliances between the Superpowers.

To examine this point, we have to demonstrate and discuss the ever widening gap between limited, and usually externally conditioned, resources and constantly growing economic needs. This task will be accomplished here by monitoring the development of the Egyptian economy since the late fifties and the manner in which it passed from moderation to congestion and finally to a state of crisis. Statistics and figures are reliable indicators but equally important is the ongoing debate throughout the last decade between the regime and the opposition over economic policy. We will discuss as well the pattern of Soviet economic assistance to Egypt which seemed to reach a point of maximization by the early seventies and we will elaborate on the promises made by world capitalism

to salvage the ailing economy.

The second point that has to be demonstrated is that the economy was a serious concern to President Sadat himself and that a significant amount of Egyptian foreign policy activity was directed to the alleviation of economic problems. In the Egyptian polity the stability . of the regime and the legitimacy of the ruler are largely derived from the ability to secure basic economic needs while a failure in this task would be fatal. At the onset of his reign, Sadat managed to justify economic hardships by war preparedness to fight Israel but once the 'battle' was launched in 1973 he had to attend immediately to the economic situation. He knew that the legitimacy he gained by crossing the Canal was of short duration unless it was enhanced by economic improvement. He was frequently reminded of this task and the regime was repeatedly threatened by food riots which reached a climax in 1977.

To test this point we have to demonstrate and examine the impact of the economic situation on Sadat's perceptions and how it threatened social stability, and hence affected his foreign policy activities. We will argue that despite the salience of the territorial-security problem in his perception, the economic problem was continuously a major preoccupation and a constant source

from the bourgeoisie which supported the establishment of his regime and was demanding as a reward the liberalization of the economy. Thus, when the territorial-security problem eased somewhat after the October War, the economic problem became of higher priority. President Sadat's statements portray how the economy haunted him and threatened the survival of his regime. To say the least, a ruler who was ready to mortgage the Suez Canal - Egypt's very symbol of independence - was a ruler in dire straits.

An Ailing Economy

The economy has been a common denominator in Egypt's politics ever since the imposition of 'Le Caisse de la Dette' in 1876 by foreign debtors, which led to foreign intervention and, in a few years, to the British occupation. It took Egypt forty years to settle its foreign debt and seventy years to rid itself of foreign domination. In the last few decades the Egyptian economy steadily moved into a chronic stage of acuteness marred by the phenomenal paradox of poor resources versus a population explosion; the most striking feature of this economy is its inability to feed the population, let alone to secure further necessities. With only 4% of its area cultivated, Egypt

has to depend extensively on external sources for food commodities, especially wheat. The daily concern and challenge to the ruler is to secure bread, which the Egyptians call 'Aish' or life. The country obtains 80% of its wheat from abroad and the state has to pay \$8 million daily for food imports. Successive governments - as a measure of social justice - have introduced the system of price controls and food subsidies which gradually became an intolerable burden on the ailing economy. In 1981, the government had to pay L.E. 2000 million to subsidies prices; in 1976, L.E. 640 million was paid for food subsidies, of which L.E. 341 million was allocated simply for bread. Yet in 1975, a World Bank report stated that 35% of rural families and 27% of urban families were living under the poverty line.

Egypt's food crises accumulated over the years.

In 1805 the population was 3 million, living on a cultivated area of 3 million feddans; in 1986 the population figure rocketed to 50 million, while the cultivated area increased only by an additional 3 million feddans. 8 Intensive programmes of land reclamation since the late 1940's have added only 5% to the cultivated area. 9 Efforts during the same period to increase

agricultural productivity resulted only in a 15% improvement due to a lack of sufficient water resources. ¹⁰ A report produced by the FAO in 1966 suggested that Egypt was left with only 845,000 feddans, mostly of mediocre quality, for future reclamation. ¹¹ It is not surprising therefore that Egypt has recently been described as the Bangladesh of the Middle East ¹² and categorized as part of the extremely poor Fourth World. ¹³

The population explosion and the poor national income have created an ever widening gap between economic needs and existing resources, thus forcing the country into a constant state of economic dependence. With limited resources and externally conditioned earnings like the Suez Canal revenues, tourism, oil, and remittances from Egyptians working abroad, the country's GDP in 1978 stood at only L.E. 8,602 million. 14

Mabro gives an overview of Egypt's economic dilemma:

«Egypt's (economic) dilemmas are not simple: the country is poor in natural resources and the major raw material which seems to provide an obvious opportunity turns out to call immediately for sophisticated and very efficient methods of production; Egypt has an employment problem and yet its natural endowment calls for very capital—intensive industrialization in precisely the branch where other countries may find opportunities for labor—intensive techniques.»15

The predicament is clearly demonstrated by the constant deficit in the balance of payments and the alarming increase of the foreign debt:

«The Egyptian balance of payments has been persistently in the red since World War II. The cumulated current deficit from 1950 through 1967 amounted to L.E. 993 million. It should be noted that deficits existed already before 1950 and that the cumulative figure does not include possible credits for militar; equipment outstanding at the end of 1967.»16

In recent years, the deficit became astronomical as the following table indicates. The table excludes the market value of own-exchange imports; i.e. goods sent to Egypt financed by earnings of Egyptians working abroad, which in 1978 amounted to \$839 million. 17

(in	millions	of	U.S.	dollars)

					· · · · · · · · · · · · · · · · · · ·	,,
ITEM	1973	1974	1975	1976	1977	1978
,		,				
Exports	1,003	1,671	1,566	1,609	1,992	1,984
		•	-4,538	-4,627		-5,966
Services	7	212	357	1,180	1,261	2,219
Net defic on goods				·		•
services	- 654	-1,699	-2,615	-1,838	-1,590	-1,763
						1

In simple terms, the four major foreign exchange resources - the Suez Canal revenues, oil, tourism, and remittances from abroad - amounted in 1978 to \$3,779 million 19 while imports in the same year amounted to \$5,966 million. As for the foreign debt, on which we will elaborate later, its ratio to the GDP rose from 23.7% in 1970 to 102% in 1981. 20 Finally, this ailing economy had to sustain a substantial military budget, which according to a moderate estimate absorbed 21.1% of the GDP in 1973. 21

Egypt's economic problems were greatly accentuated since the first half of the sixties under the newly adopted socialist order. Besides economically expensive social policies such as free education, extensive labour incentives, and subsidised food and housing, the regime embarked on several ambitious development programmes characterized by a long-term turnover, like the High Dam and steel industries. Since resources were mostly mobilized for these programmes, the services' sector was to suffer.

Adoption of socialism and progressive foreign policies by Nasser's regime — as discussed below — caused the alienation of Egypt from its natural creditors in the West and from potential markets and finance in

Arab oil-rich states. World capitalism launched a subtle war of containment against Nasser's socialism in fear of its ramifications in the Middle East. This war added effectively to the difficulties facing the Egyptian economy to the extent that in 1962, to secure a credit of L.E. 20 million from the World Bank, Egypt was forced to accept a programme of economic stabilization and devalue its currency. 22 The acuteness of the problem continued unabated through the following years to the extent that in 1964, «people in the big cities were queueing at times for elementary necessities such as rice, fat, and meat.» 23 But the regime was adamant in continuing the socialist experiment and the result was economic stagnation and foreign exchange shortage:

«The GDP growth rate, which had been 6.4 percent in 1963-64, declined to 4.9 percent in 1964-65, to 4.4 percent in 1965-66, and finally dropped to 0.3 percent in 1966-67.»²⁴

This bleak situation lingered throughout the three years preceding the 1967 war and was Further exacerbated by poor crops, severe foreign exchange shortages, and tight fiscal and monetary policies. $^{25}_{\circ}$

The consequences of the 1967 defeat on the economy were intolerable; as a direct result, the country was

deprived of two of its major foreign exchange resources: the Suez Canal revenues and tourism. In addition, the loss of the Sinai oil fields turned Egypt into an oil importer, thus exacerbating the foreign exchange crisis even further. Serious dislocations in the economy occurred, as the cities of the Canal zone - with a population of approximately one million - were attacked by Israel, evacuated, and duly destroyed. The oil refineries of Suez city, the fertilizer plants and complementary industries were virtually demolished. 26

During the war of attrition from 1968 to 1970, Israel heavily attacked economic targets in the heartland, like the Helwan industrial complex. A recent study estimated Egypt's material losses between 1967 and 1973 at a minimum of L.E. 20 billion at 1975 prices. Military expenditures after the June War further exhausted the congested economy; despite discrepancies in Sadat's statements regarding this particular issue, even the low figures are revealing:*

«The total expenditure on the Armed Forces from 1967 after the aggression to 1973 including the arms deals, was L.E. 4254 million.»

Furthermore, the physical infrastructure had deteriorated

^{*} In his interview of March 29, 1974, Sadat stated that Egypt had spent in that respect L.E. 10,000 million, and the same figure was mentioned in the October Paper in April, 1974.

considerably because of inadequate investment. 29 Aid flows from the West, though moderate, were interrupted 30 and Aráb financial aid failed to meet the requirements. 31 The prolongation of the armed conflict against Israel without a decisive battle made the Arabs skeptical of Egypt's war intentions and consequently they became more indifferent to its pressing needs, as Sadat once insinuated:

«It is true that we have hardships and difficulties. This is natural. Our services are very exhausted. Our people have dispensed with luxuries. I am saying this so that all our brothers and our Arab Nation may hear it.»

The domestic ramifications of this economic impasse contributed to the most acute dilemma facing the regime since 1967. The masses who endured the austerity of socialism and economic development were not ready to suffer more; on the contrary, they were expecting the fruits of economic development promised by the first five year plan (1962-1966):

"Tangible benefits expected from the promise of economic development have to accrue immediately to the groups on which the Government relies for political support and for the implementation of its programmes - in other words to the clients and the technocrats. The State may have long-timepreferences-implied, in Egypt, by development programmes comprising long-gestation projects such as the High Dam and heavy industry, but private groups in society which the State represents have typically short-term preferences.»33

To appease the masses, the regime opted for economic concessions at the expense of its development project; that in turn caused further economic deterioration;

«A critical political decision was made after 1967 to keep private consumption at the same level. Rearmament was to be financed at the expense of the investment sector, which dropped from a high of 18% of gross national product prior to the Six-Day War to a low of 13% in its aftermath.» 34

The repercussions of the defeat on economic productivity were immense during the six years between 1967 and 1973.

In addition to the diversion of scarce resources to war efforts, extensive permanent and temporary migration of skilled labour and know-how seeking better standards of living had deprived the country of important economic assets. The very long duration of conscripts' service in the army resulted in further productivity deterioration and increased pressures on the government to create jobs for them, thus adding to the problem of disguised unemployment. That was the economic situation confronting President Sadat when he emerged in late 1970.

Economics and Foreign Policy: The Nasser Legacy and its Reconsideration:

One of the conclusions of the 1956 Suez crisis was that a minor actor, Egypt, succeeded in defying the strongest imperial powers of the world. Another phenomenon of this crisis was that both Superpowers had opposed the aggression on Egypt and came to its help, a situation which never occurred again. These results had enhanced the awareness, entertained by Nasser, of Egypt's status and the role it was destined to play not only in the Arab world but also in the global stage. He made Egypt's presence felt at the Bandung Conference in 1955 and forged friendships with Asian stars like Nehru and Chou-en-Lai. Later, this awareness found its identification with the non-aligned doctrine and Third World independence movements. At the same time, as the Cold War was at its peak, both Superpowers tried to secure the allegiance of the newly independent countries in systems of alliances and counteralliances.

Nasser, for his part, grasped the prevailing realities of the global system and tried to exploit it to Egypt's advantage particularly in its drive for economic development. Baker argued that as far back as the fifties Egypt's economic problems became an important source of its foreign policy activism and of the intensification of its

involvement with the major powers. 36 In other words, Nasser sought to impress on the major powers the importance of his country as a regional power and a pillar of non-alignment, to encourage them to provide Egypt with substantial economic assistance. signs of the success of Nasser's foreign policy in this regard. When, in 1956, at U.S. urging the World Bank withdrew its offer to finance the High Dam and «when many of Egypt's traditional markets to the West were closed and assets blocked (after the nationalization of the Suez Canal)», 37 the Soviet Union stepped in. Despite Nasser's repression of local communist activities between 1958 and 1963, he was able to obtain substantial economic assistance from the Soviet bloc as indicated by the following table: -

<u>U.S.S.R.</u> :	Million Rubles	<pre>\$ Million</pre>
A. `Industrialization B. High Dam, first	700	175.0
stage	400	100.0
C. High Dam, second stage	900	225.0
TOTAL	2,000	500.0
Others, for industrializa	tion:	a' 1
East Germany	•	27.3
Czechoslovakia Hungary		26.4 16.9
Yugoslavia Others	0	20.1 18.1
TOTAL		608.8 38

Despite Nasser's deep involvement with the Soviet
Union, his nationalist and Arab policies, and his socialism,
he continued to receive substantial economic aid from
the U.S., especially in wheat shipments under PL 480,
which allowed Egypt to pay for its purchases in local
currency. While the goal of Soviet aid was to strengthen
and accelerate Nasser's socialism, the Americans' goal
was to soften his radicalism or at least keep him at bay.

Nasser's foreign policy had its negative effects as well on the economy. His socialism and progressive Arab policy, which resulted in the polarization of the Arab system between progressive and reactionary regimes, caused Egypt's alienation from potential finance and markets. Even Egyptian workers in oil-rich Arab countries were affected by Nasser's disputes with the rulers of these countries. Furthermore, Nasser's Arab policy led to Egypt's involvement in the Algerian revolution and the liberation movement in Southern Arabia, with all the implications for economic relations with England and France. Finally, Egypt was militarily entangled in the Yemeni civil war for almost five years with heavy costs, to the extent that President Sadat later considered it one of the causes of Egypt's economic disaster. 39

However, Nasser's Superpower policy was to gradually backfire as both giants were steadily moving towards detente with a strong conviction that the political clout of the Third World was becoming less decisive in their competition. Thus, while Egypt's economic needs were growing substantially by the mid-sixties, the Superpowers were gradually becoming indifferent to its economic ... In 1964, the Soviet Union refused to postpone the High Dam loan payment and a year later the U.S. abrogated the PL 480 wheat sales to Egypt when relations deteriorated between the two countries. 40 These developments coincided with an increasing American commitment to Israel, which made Nasser less enthusiastic to mend economic fences with the U.S., 41. Thus, deprived of alternatives with most of Egypt's development projects of Soviet origin not yet completed and with the transformation of the military to the Soviet doctrine, Egypt was becoming virtually completely dependent on the Soviet Union.

Despite certain disadvantages, Soviet economic assistance to Egypt had considerable benefits, especially for a country in the process of economic development. The repayment of Soviet economic loans was generally in barter or in local currency rather than in convertible

currencies, with relatively long periods of grace. 42

«Credits were extended in rubles to be repaid with 2.5 to 3 per cent interest in equal annual instalments over a period of ten to twelve years, beginning one year after the completion of the project.» 43

The Soviet record in the industrialization of Egypt was rather impressive. For example, its contribution to one project, namely the Aswan High Dam, amounted to \$325 million at fifties' and sixties' prices and over 300 factories in the U.S.S.R. participated in manufacturing some 500,000 tons for this particular project. 44 Over 80% of Soviet aid to Egypt was used for the development of heavy industry and hydroelectric power. 45 Egypt's ability - unlike many developing countries - to absorb credits for large scale projects made the flow of this aid unhampered. Thus, out of 750 projects financed by Soviet and Eastern European credits in Egypt, over 600 were already in operation by 1974. 46

Soviet economic assistance had its disadvantages; the most conspicuous being the bilateral nature of trade with Egypt, which deprived it of potential markets and foreign exchange earnings, especially in the case of Egypt's one-commodity economy (i.e. cotton). In addition,

Soviet projects were essentially of long-term benefit, such as the Aswan High Dam which started to produce benefits only in the early seventies. The neglect of consumer-product projects deprived Soviet conomic assistance of popularity and demonstration effect.

Soviet economic aid also had common traits with that of western origin. Egypt relied specifically on Soviet raw materials for certain factories and had to accept inferior Soviet products. Some Soviet factories constructed in Egypt were specifically geared for Soviet markets 47 thus deepening Egypt's dependence on Soviet markets, as indicated by the following table of Egyptian imports and exports to the U.S.S.R. between 1967 and 1971:

(In U.S. Millions)

190	67	196	8 *	196	9	19	70	197	1
Imp.	Exp.	Imp.	Exp.	Imp.	Exp.	Imp.	Exp.	Imp.	Exp.
145.1	281.3	170.7	198.0	228.1	238.2	310.6	∞363.2	334.1	381.3

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It is difficult to estimate accurately the size of Soviet economic assistance to Egypt in the two decades between 1954 and 1975 for some of this assistance was in the form of grants, some loans were dropped, and finally prices of Soviet projects were usually low to attract the Egyptian

leadership. However, available data state the figures of this assistance as in the following table:

1954-1970	1971	1972	1973	1974	1975	1976	(
1,844	313.	515	13 _. 0	218	125	0	

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Economic dependence on the Soviet Union became indispensable after the 1967 defeat and the diversion of scarce resources to war efforts. Even the hypothetical alternative of choosing different donors disappeared as. a result of the deep polarization of the Middle East conflict between the Superpowers. The consequences of the defeat in absolute terms were coupled with the impotence of Soviet economic assistance to meet Egypt's Before the defeat Egypt was suffering economic problems. a sharp shortage of foreign exchange; after the defeat, the shortage became a plight with the loss of foreign exchange resources. The Soviet Union, itself a long sufferer of the same plight, was in no position - even if willing - to rescue its ally. In addition, Soviet policy of economic aid on a world wide scale was undergoing profound changes. By the mid-sixties, the Soviet economy

was facing mounting difficulties which contributed to Khrushchev's ouster in late 1964. The meantime, as detente was taking shape, the Soviet Union was under less pressure to allocate vital resources to meet global competition requirements or ideological pursuits. Moscow was becoming less generous in aid to Third World countries since they were losing their strategic importance in global politics. In fact, Soviet economic assistance to these countries was becoming of a commercial nature based on joint ventures; for example, Turkey and Morocco obtained 86% of the total Soviet economic aid to Third World countries during 1978. 52

For Egypt in particular - even if the Soviet Union was willing to treat it differently from other Third World countries - its capacity to absorb further Soviet industrial projects was becoming much less in a wareconomy. Thus, since 1967, Soviet assistance, apart from the completion of previously agreed upon projects, consisted mainly of armament. Aware of Egypt's economic debacle and the possibility that it might renege on its debts, Moscow sought to minimize its losses;

«Soviet leaders would prefer to
cut their losses rather than
continue to invest their finances

in an economy which was far from solvent. *53

Soviet economic policy towards Egypt was further constrained by Sadat's emergence and the prevailing uncertainty over his future course.

By late 1970, President Sadat inherited this awesome economic situation, which was a major part of Egypt's national predicament. In a few words, he summed up

«At the time, we were relying
totally on our own resources:
there was no foreign aid of any
kind - Soviet, American, West
European, or Arab. All that we
received from the outside
world was abuse.»54

When he asked the Minister of Finance and Economics how he was managing, under Nasser, the latter said that «the treasury was empty and we were 'almost bankrupt.'» 55

The new president lacked his predecessor's ability to contain social agitation by promising a brighter future and did not have the personal clout to pressure the Soviet ally for more economic assistance. The maximum that Sadat could use to quell internal dissatisfaction was the pretext that the country was in a state of war and that it had to sacrifice resources for the battle.

But he knew that this claim was a limited mandate and.

that the economic problem would soon impose a frightening threat. Like every modern Egyptian ruler, he had to seek strategies and solutions for the economic situation or face unpredictable consequences. The predicament was a lively concern in his perception. Time and again he would recall how Egypt in 1972 was to be declared bankrupt when it failed to meet a mere one million dollar payment to the American Export-Import Bank. He frequently used to say that the Egyptian economy had reached the 'zero point' before the October War in 1973. 57

Whatever the intensity of the economic problem prior to 1973, Egypt's territorial-security problem was more pivotal and demanding; it was the first and foremost priority and its resolution - either by war for by peace - was the major preoccupation. It seemed a truism that Egypt's problems, either social or economic, would automatically be resolved if the territorial-security problem were settled; at least the awesome military expenditure would cease to drain the ailing economy.

The only space for economic manoeuvre before 1973 resided in the Arab oil-rich states and Sadat lost no time in exploring it. To this end, he devoted a major part of his foreign policy activities to forge solid alliances with conservative Arab regimes led by Saudi

Arabia and with the Iranian monarch. There are no available data on how much Sadat obtained from these new external sources but, as evidence suggests, the Saudis during the years between 1971 and 1973 enjoyed substantial leverage over Egyptian foreign policy.

As explained in previous chapters, they exerted pressures and apparently succeeded in influencing Egypt's foreign policy in the direction of the reduction of Soviet influence in Egypt.

To attract Arab investments, Sadat - in a deviation from Nasser's socialism - issued Law no. 65 of 1971 for 'Arab investment and free zone' which protected these investments from nationalization and sequestration. 58 While the opening towards Arab conservative states did not involve a similar opening towards the U.S. and the West at this time, nevertheless it was another form of economic dependence and would play a later role in Egypt's policy towards the Superpowers.

The Search for New Strategies to Meet Economic Needs:

The 1973 October War changed the political climate and the givens of the Middle East situation. A few days after the cease-fire, the U.S. became actively involved in the search for a political settlement to

the Arab-Israeli conflict. What prompted this fervent
U.S. diplomacy - beside the volatility of the military
situation and the possibility of renewed hostilities was an emerging picture of a Middle East with more American
domination and less Soviet influence: this was generated
by some encouraging signals from President Sadat. As we
have seen in previous chapters, he exclusively devoted
his ceasefire diplomacy to the U.S. while completely
alienating the Soviet Union; in due course, he declared
that the U.S. diplomatic position was 'constructive.'

In the ensuing negotiations, Sadat showed a great deal of flexibility and made clear his strong inclination towards a peaceful settlement with Israel. The U.S., for its part, capitalized on the opportunity that some tangible diplomatic progress might convince Sadat to lessen his dependence on Soviet arms and subsequently contain Soviet influence in the Middle East.— In fact, the picture was fitting smoothly as Sadat continued to alienate the Soviets from the extensive Middle East diplomacy. His gestures towards the Americans made the U.S. administration more responsive to his territorial-security problem but it was rather early for Sadat to perceive that this problem was almost diminishing. Thus he continued to be deeply preoccupied with it; that was clear in his persistence in

demanding more Soviet arms.

At this stage, one could argue that the economic problem was not far from Sadat's concern. We should note that, a few days before the war, the Minister of Supply informed the President that the country had only 15 days of wheat reserve and was facing a severe situation. But thanks to urgent Arab cash grants (of \$800 million) made during the war days, a looming food crisis was diffused, only temporarily of course.

By the beginning of 1974, a major breakthrough occurred in the Middle East when Egypt and Israel, through the mediation of Kissinger, signed the First Disengagement Agreement, thus bringing to the area a sense of relaxation. Moreover, the demonstrated success of Kissinger's diplomacy might have impressed Sadat that a quick and comprehensive settlement was within reach. There seemed a prevailing conviction in Cairo that such a settlement could be attained not later than the summer of 1974 and thus Egypt could attend to other salient problems, especially the economy. After all, it was Eisenhower who in 1956 'ordered' Israel to evacuate Sinai within three months. 61 This conviction and the need to tackle the economic issue might in part explain Sadat's concessions to expedite the peace process during the negotiations of the First

Disengagement, Agreement.

The more progress was made on the diplomatic front, the more the economic problem rivalled the territorial-security one. As we argued before, the regime's mandate of war-economy was limited by the launching of the battle and, once that was achieved, the masses would demand better economic conditions. Part of Sadat's decision to initiate war was motivated by the economic situation and the need to create a different climate in which Egypt might increase its bargaining power:

«Before the war, I always said that we must make the battle a starting point for economic take-off, for building a new country on the technology of the generation of which we are a part, through the co-operation of the big powers of Western Europe.»62

If the war was seen by Sadat as Egypt's vehicle to a new era, its immediate impact was to worsen Egypt's economic situation; «raw material shortages were intensified as international shipping to Alexandria was disrupted (and) severe shortages of consumer goods became chronic.» 63 The most disturbing factor was the price hike of wheat, Egypt's vital if not strategic imported commodity. Already wheat prices had soared in 1972 as a result of the Soviet-American wheat deal,

which more than trebled world prices from \$60 per ton to \$200-250 per ton in 1974-1975. Egypt had to import in 1975 approximately 3 million tons of wheat as well as other food commodities. To demonstrate the impact of this price change on Egypt's international economic position, the following figures in millions of dollars present the picture graphically:

	1971	1972	1973
Total exports	\$ 850	· \$ 813	\$1,014
(of which cotton)	404	373	438
Total imports	\$1,244	\$1,286	\$1, 593
(of which wheat).	, 144	147 .	400
			٠

66

The energy crisis that accompanied the war added to the severity of the situation due to the increase in fertilizer prices and transportation costs. The regime had to meet the popular expectation that the war would end their long suffering; subsequently, 1974 witnessed - in the words of an Egyptian economist - a mad expansion in imports of all types of commodities. The result was a disaster of short-term loans from Western banks. It is difficult to estimate accurately Egypt's

while the World Bank estimates them in 1974 at \$383.6 million, the Egyptian Minister of Finance estimated them on one occasion at L.E. 945 million and on another L.E. 1084 million.

The World Bank's evaluation of Egypt's economic performance in 1974 pointed to the disproportionate increase in the deficit ratio to the GDP was between 6 and 7 per cent, while in 1974 it rose to 15-20 per cent.

The tendency to satisfy elementary needs of the masses and to meet the middle and upper classes' expectations of consumer goods while the country was still absorbing the consequences of the war led to the abuse of newly acquired resources such as Arab cash grants, which amounted in 1974 to \$1,264 million. The President, Sadat gave a gloomy picture of the economy at the end of 1974, as he told a journalist:

*Can you imagine that we emerged from the 1974 budget...with only 30,000 pounds in foreign currency ...30,000 pounds for 36 million inhabitants.»

As was to be expected, inflation soared and in turn triggered social agitation. Workers demonstrated in September 1974 significantly chanting «Oh hero of the Crossing, where is our breakfast.» These demonstrations

were a clear vote of non-confidence and a challenge to the regime's newly acquired legitimacy. Social upheavals erupted again in January 1975 when violence was evident as some forty buses were burned in protest against deteriorating living standards. In response, Sadat sent a message to the People's Assembly and to the Prime Minister demanding vigorous reforms to the taxation system as a means of realizing a measure of social justice:

«I think the system of taxation should be amended so that'it may be a sound way to achieve our social goals, to destroy class differences and to provide the basic requirements for all the people.»

The predicament contained throughout 1975 when Egypt's commitments of short-term loans reached \$2050 million. 75

By the end of the year, the Minister of Finance described the economic situation as disastrous, while the Minister of Planning declared:

«We are in a corner...A huge deficit
of L.E. 1800 million against an
income of L.E. 4000 million or little
more, is not a deficit; I call it a
collapse of the balance of payments.» 76

President Sadat gave the same evaluation:

«When we reached 1975, it was obvious that we were facing a severe economic

crisis. We had a deficit of 1,500 million pounds sterling. *77

It was clear at this stage that the economic policy was not one of long-term goals or connected with economic development; it was just a policy of meeting the pressures of foreign debtors and social demands, as Sadat himself explained:

«My problem is cash money, not construction and projects... Cash money is what we require, for we are facing a difficult situation because everything in our country has been drained dry.» 78

The irony of the situation was that despite the seeming collapse of the Egyptian economy, foreign debtors were always ready to offer more short-term loans, a reminder of the same policy which led to the Caisse de la Dette and its consequences a hundred years ago. The only explanation of this policy, one could argue, was to reintegrate Egypt in the world capitalist system, this time without a fallback line.

Once again the masses took to the streets in April 1975 to protest against the economic situation; ⁷⁹ but a dangerous challenge to the regime's legitimacy and its economic policies occurred in October 1976 when, on the day of declaring the results of the referendum to renew

Sadat's office-term, public transportation workers went on a strike which paralyzed the capital.⁸⁰

The search for a new economic strategy naturally became Sadat's major concern in the post-October War period, especially when the armed conflict with Israel seemed to abate considerably. In fact, there was a subtle internal debate during the early seventies which became conspicuous after the war, about how Egypt could correct its economic path and even attain prosperity. Naturally, the debate centered on the economic performance of the socialist order. The guardians of socialism argued that the Nasserite experiment had yet to yield its fruits as most of its economic projects were long-range ones, and that Egypt could not have withstood the six lean years of war without the achievements of the experiment. Opponents of socialism argued that Egypt - a country which cannot survive on its own resources - was deprived by Nasserism of potential foreign investments and the creativity of the private sector; the economic predicament of the seventies was but a logical result of ill-conceived policies during the sixties.81

The debate assumed another dimension after the October War as the Arab oil-rich states were accumulating more wealth due to the dramatic rise of oil prices. There was

a feeling amongst the Egyptian elite that this wealth was achieved mainly by Egyptian blood and that, while Egypt was suffering economically, its Arab brothers were reaping the fruits of the war. Abdel Aziz Hegazi then Deputy Prime Minister - declared in the People's Assembly;

«We are on the verge of becoming
the poorest people in the region,
while signs of wealth and
construction are obvious in
Arab sister-states around us.»82

Sadat made this point even clearer:

«The oil-exporting Arab countries have huge surplus funds which will be doubled several times as a result of the rise in prices in the wake of the October War.»83

The tendency for economic liberalism was further enhanced by promises of investment and cooperation made by Western delegates who flooded Egypt in the wake of the ceasefire and the signing of the First Disengagement Agreement. One could question whether these visits and promises were genuine or were part of a concerted effort by world capitalism to lure Egypt into its cage and finally defuse the Arab-Israeli conflict. One of these visits was made by David Rockefeller, Chairman of Chase Manhattan Bank, who visited the Middle East in January/February 1974, when he foresaw Egypt's future

and commented at length: .

∢I think that Egypt has come to realize that socialism and extreme Arab nationalism...have not helped the lot of the 37 million people they have in Egypt. And if President Sadat wants to help them, he has got to look to private enterprise and assistance...I discussed this to a considerable extent with some of the Israeli leaders and they agree with us. They feel that the position of President Sadat vis-a-vis his own country is a constructive one and they feel there's a better chance of ending the war if help is given to him to build his own country in a sound economic way. »85.

Following Rockefeller came Robert McNamara, President of the International Bank, who visited Cairo at the end of February 1974, when he met Sadat and informed him that the IBRD would consider favorably Egypt's needs if it 'corrected' its economic policy in conformity with the 'recommendations' of the IMF. In May, a mission from the IMF arrived in Cairo to discuss economic policies and recommendations. Some of these promises did materialize in the spring of 1974 when the Shah of Iran committed \$700 million in aid and investment to Egypt.

The debate was quickly decided in favour of economic liberalization, as the President - the supreme arbiter - made clear his dissatisfaction with Nasser's socialism

and his own preference for economic openness;

«In the past, we did not have any real shape or definite theory for our economic system ...It was a matter of real anarchy.» 88

Sadat's ideology, as we will discuss in the following chapter, might have tipped the balance of the debate but we can add as well that part of his approach was pragmatic. The economy had reached a stage where ideological principles and slogans would not substitute for urgent needs.

Sadat's hopes and expectations were highly elevated by President Nixon's visit to Egypt in June 1974 which was accompanied by the most dramatic offer made by the West in the economic sphere; most important, it made available to Egypt what it had long yearned for, Western technology. The U.S. would sell to Egypt nuclear reactors and nuclear fuel, «...which will make it possible for Egypt by early 1980 to generate substantial additional quantities of electric power to support its rapidly growing development needs.» ⁸⁹ The Nixon-Sadat joint communique envisaged economic and technological cooperation between Egypt and the U.S. and estimated the value of projected U.S. investment in Egypt at in

excess of 2 billion dollars. The communique particularly emphasized that: «The United States and Egypt will therefore negotiate immediately a new Investment Guarantee Agreement between them.» In fact, the communique mentioned a variety of areas of possible economic and technological co-operation between the two countries and formed a joint 'Working Group' to study them.

The debate over socialism was to include by necessity the viability of economic dependence on, and cooperation with the Soviet Union. In their argument, the advocates of liberalism came to possess substantial weapons. there was the issue of advanced technology, which Egypt badly needed and in which the Soviet Union was relatively They successfully over-simplified the case backward. by praising Western technology but without questioning Egypt's real needs. 91 Second, since the greatest part of Soviet assistance after 1967 was devoted to the military field, development and renovation of some Soviet-made factories were postponed with their machinery becoming obsolete. They easily pointed to these facts as a fault in the model and not in application. Finally, they used figures to prove Soviet unwillingness, and .not shortage and limitation of resources to meet Egypt's

needs. In fact, if figures were put in the abstract, the Soviet Union would not stand a chance in comparison to other donors.

Between 1955 and 1967, Egypt received from Moscow the total of \$1,839 million, while it received in the decade of 1975/1985 more than \$12 billion from the U.S. 92 Even these humble figures of Soviet aid were subject to the degree of warmth or coolness of political transactions between the two countries and had fallen considerably after 1972 when Sadat expelled the Soviet advisors. 93 Apart from developmental projects, Soviet economic grants to Egypt amounted only to approximately \$100 million between 1967 and 1970. 94 Financial credits, which Egypt needed badly, were generally not included in the pattern of Soviet economic aid:

«...the Egyptian leaders were to discover on numerous occasions that there were limits to the Soviet Union's capabilities that because of strains within the Soviet economy and debates over the allocation of scarce, resources, the U.S.S.R. did not always have the economic ability (and also sometimes the political will) to meet Egypt's demands.»

The attack against cooperation with the Soviet Union was helped, ironically, my Moscow itself, which started

after the war to pressure Egypt economically by demanding ;
the repayment of deferred debt service instalments.

Sadat was furious:

«I shall never forget that on December 23, 1973, they contacted me saying that the Arab Republic of Egypt had delayed in settling the amount of 22.1 million rubles that were due by Egypt since last April...» 96

The Soviet pressure might be part of a policy to halt Sadat's deviational tendencies and to remind him at this particular stage that he was heavily indebted to the Soviet Union. The use of debts was usually a leverage in Soviet-Egyptian transactions but when relations were friendly the Soviet Union showed considerable generosity. For example, it had previously cancelled Egypt's military debts for armament used in the Yemeni civil war as well as for that lost in the June 1967 war. 97 When Sadat later became openly hostile to the U.S.S.R., the Soviets used the same leverage, as Foreign Minister Fahmy indicated:

*To make matters worse, the Soviets kept pressing us on the repayment of our debt. By late 1974, Moscow was insisting that Egypt should pay back \$500 million a year, a sum which Egypt simply could not raise giving the prevailing economic conditions. We offered to pay back \$10 million a year for the time being.»98

The conclusion drawn from the debate and enhanced by western propaganda was that neither socialism nor cooperation with the Soviet Union would generate the amount of capital deemed crucial for Egypt's economic salvation. It was estimated that Egypt could start its economic revitalization if it was able to mobilize a flow of aid in the order of \$4-5 billion annually, an amount the U.S.S.R. could not allocate. 99 Only the U.S. and its allies could offer the needed aid and that would only materialize if Egypt's foreign course were reversed. The economy in the seventies, as it had been in the past, was to become a crucial determinant of foreign policy; consequently, Infitah, or the open-door economic policy was adopted.

Infitah in Theory and Practice:

The Strategy of Infitah was embodied in the 'October Working Paper', presented by Sadat in April 1974. The theory is rather simple, namely that, whatever local resources Egypt could mobilize, it still needed substantial foreign resources, for the gap between means and ends was wide and growing even wider.

«Whatever local resources we can
mobilize, we still have a great
need for foreign resources. The
conditions of today's world make

it possible for us to obtain these resources in such a way to strengthen our economy and speed up development.» 100

Infitah was a necessity if Egypt were to obtain advanced technology to combat the backwardness of the country and to promote exports:

«We welcome foreign investment
because of the much needed advanced
technological knowledge it will
bring with it,..The outward looking
economic policy will supply us with
the most modern technological means
to speed up this (economic) breakthrough and promote exports by
(improving) their (quality).»101

Arab wealth accumulated from oil revenues was ready to be invested in Egypt if appropriate conditions were created to induce this capital:

«The owners of these surplus funds wish to invest parts thereof in Egypt or in joint projects in Egypt and in other Arab countries. In so doing, they are motivated by noble national feelings and a sound economic attitude in view of the monetary and investment instability in many parts of the world.»102

In fact, the luring of Arab capital had dominated the perception of Sadat and the elite as the path to Egypt's revival. Sayed Marei, the former Speaker, summarized in a few words the possibility of prosperity:

«Arab capital + Western technology +
Egyptian labor and markets + the
population explosion = economic
growth.»103

Sadat expounded on the same concept:

«There should be a marriage between the two worlds, Arab capital and foreign technology, for the advancement of the Arab world and making it the sixth power in the world.» 104

With these promises of speedy economic recovery, if not prosperity, Sadat came to the conclusion that missing this chance would be a supreme crime. 105

The October Paper was the ideological framework of Infitah. After it had been accepted, its legal foundation was laid out in Law No. 43 (1974) regarding foreign investment. This was approved by the People's Assembly in one session, on June 9, 1974, just three days before the arrival of President Nixon in Cairo. 106 This law literally opened all economic fields to foreign investment and the private sector and emphasized capital immunity against nationalization and sequestration. It granted foreign investors tax exemptions ranging from five to eight years and allowed the free transfer of capital. 107

The concerted western efforts were not only aimed towards the reintegration of the Egyptian economy into the world capitalist system but also aimed to convince Egypt - as David Rockefeller did - that peace would entail prosperity. The issue was highly emphasized during Nixon's visit, as Sadat declared:

«(D) uring the discussions that took place between President Nixon and myself, we reached the conclusion that peace implies development and reconstruction...»

In fact, during this stage, western efforts were not only confined to promises but were ready to satisfy. Egypt's aspirations for loans and grants. The years of austerity and hardships made Egyptian officials susceptible to every creditor to the extent that this dangerous sort of economic aid became not a source of worry but one of pride, as Sadat proudly declared:

«We have received loans on easy terms: \$50 million from the International Bank, \$100 million from Iran, \$30 million from Germany, \$250 million from U.S.A...and \$50 million from the Arab International Bank...Agreements were concluded valued at over 1000 million dollars with Iran, 500 million dollars with Romania, 60 million dollars with Bulgaria, and 100 million dollars with Japan.»109

These dazzling figures and lavish western promises prompted Sadat to consider Infitah as Egypt's 'second crossing', in analogy to the crossing of the Suez Canal. 110

The political side of Infitah was soon to be reflected in the Soviet-Egyptian relationship. Sadat's expectations of imminent western aid on a large scale led him to regard Soviet assistance as less effective in Egypt's economic

development. In fact, even during the years preceding the October War, he placed no emphasis on economic relations with Moscow. After the October War, the Soviets were soon to grasp the emerging reality of the situation and that Egypt was opting for a new foreign orientation. But in the meantime, the Soviet Union - sensitive to Third World perception and probably gambling on an internal change - preferred not to renege on its agreements for economic development in Egypt, especially those signed in 1971. Thus, Soviet economic aid rose from \$130 million in 1973 to \$218 million in 1974.

Instead of tampering with the flow of economic projects, the Soviets tended to pressure Egypt on its military debts. Moscow was not ready to allow Sadat to use its credits of 2.5-3% «to pay off the 8% and 9% loans from Chase Manhattan and other Banks.» Sadat cleverly used the Soviet Union's position to expose it domestically and internationally as a power pressuring its customer in times of great difficulties. His campaign in that respect - one could argue - might have had the goal of convincing his new western friends that his choice was irreversible. In his rhetoric, he concealed the military nature of these debts and that Moscow might have adopted another attitude - as it did before - had

he not used Soviet arms to open western frontiers.

He started his campaign by arguing with Moscow for rescheduling Egypt's debts and deferring their payments:

«We were interested in defining a
time-table for our debts, that is,
we wanted to put off payment of our
debts for some time due to our
circumstances after the war.»111

He frequently used the term 'period of grace' to show the rigidity of Moscow and its deaf ear to Egypt's difficulties;

«I have asked for a period of grace in which to defer payments. This does not mean that I totally withhold payment. No, I asked to be allowed to pay smaller installments for a couple of years.»115

But this period of grace would vary from one statement to the other. In a later statement, he extended the period to ten years and insinuated that the Soviets should drop their debts completely:

> «I am asking for a period of grace for the first ten years...Also they must not calculate interest on the military debts, because, in fact, it is considered dead from the very start.»116

Delegations from both sides were exchanged to discuss economic disputes but the differences remained as the Soviets interpreted Sadat's economic campaign as a sort

of dictate;

«On his return from Moscow, (Foreign
Minister) Fahmy informed me that
the Soviet brothers considered
this (demand) to be dictating our
conditions...(W)e are not dimetating
conditions to anyone.»117

With relations with Moscow strained, Egypt was left to depend solely on the West.

Infitah in Crisis:

Expectations of Infitah, as envisaged by Sadat and the elite, proved disappointing. The question which failed to be answered by the advocates of Infitah is why would world capitalism invest in Egypt on a large scale as was expected? World capitalism is not a charitable institution nor bound - in many cases - by governmental policies; it has its own preconditions and requirements. Good faith, good intentions and encouraging laws were not enough incentive to adventure in the Egyptian polity. What was essentially needed for this capital to flow in was economic feasibility secured and guaranteed by long-time stability. At this stage - 1974/1975 - Egypt had not yet attained these prerequisites. David Rockefeller, who visited the Middle East in 1974 to preach the dawn of prosperity if Egypt were to abandon

socialism and armament, was by the end of 1975 privately conceding that Egypt was a high-risk area for investment. and had to rely solely on Arab money:

«Egypt, he said, was part of a highrisk area, which meant that the foreign investor would expect a return of more than 30% on his outlay, which was more than Egypt could afford. So it would be better for Egypt to rely on Arab money.»118

By 1975, Infitah was in a real crisis; the paradox was that the government refrained from interfering in its mechanism, allowing parasitic activities and indiscriminate imports, fearing that intervention might scare anticipated foreign investments. Taxation reforms, suggested earlier by Sadat, were also shelved under pressure from local investments. In response to the food demonstrations of April 1975, Sadat addressed the nation criticizing some practices of Infitah:

«I noticed with much regret - and I repeat with much regret - that there were those who were accumulating fortunes, and that such accumulation is usually the outcome of parasitic behaviour... Never shall I allow - nor will the people for that matter - parasites to indulge in their unwarranted commissions. Speculations, adventurous exploits, profiteering and illicit dealing in people's livelihood will not be tolerated either. *119

There also seemed a conviction that there was nothing wrong with Infitah in theory; thus difficulties were largely attributed to obstacles raised by remnants of the previous socialist regime. Sadat elaborated:

«I have noticed a failure to understand changing circumstances, and hence a failure to seize available opportunities. Despite the fact that the slogan outward looking policy has been propagated, this policy has not materialized. Some of the old resentments continue to prevail, sometimes under the guise of socialism.» 120

Undoubtedly, these economic difficulties constituted a major input in Sadat's foreign activities at this stage. In an effort to lure foreign capital and appearse the Israeli lobby in Washington, he - while negotiating the Second Disengagement Agreement with Israel in September 1975 - accepted the idea of easing the boycott of some American companies dealing with Israel. 121

When he met with President Ford in Salzburg, Austria, in June 1975; the same difficulties were part of his talks:

* "I discussed our economic problems with President Ford when we met in Salzburg...We need liquid currency to balance our economy to the value of 15 billion.» 122

Back in Egypt, he tried to diffuse internal discontent over the economy by raising expectations of imminent American and western aid, as he told the ASU National

Congress:

"The U.S. President expressed his readiness to offer aid by America alone or through its allies in Western Europe and the entire world to remove the obstacles impeding our economy.» 123

In October 1975, Sadat travelled to Washington, for the first time as President of Egypt, apparently on an economic mission, but deprived of Egypt's powerful Soviet connection as a bargaining card. In a television interview, Sadat pleaded for American economic assistance emphasizing once again Egypt's dilemma of short-term loans:

«I want you to help me on the economic side, to have long-term loans because the difficulty in my economy is that we have short-term loans, the interest of some of which reaches more than 22 percent. This is what causes the trouble for my economy.» 124

On his way back, he offered British investors more concessions in the economic open-door policy:

«We shall do everything to eliminate difficulties and to push forward the open-door policy. I do not want any of you to come and despair.»

But Sadat's appeal for American economic assistance coincided with President Ford's reduction of requested aid to Israel from \$2.25 billion to \$1.8 billion, thus

making the Congress less receptive to Egypt's needs. 126

The answer to the question of why at this juncture

American and western aid did not flow into Egypt is

that economic dependency on one of the Superpowers entails

the full consent to its strategies and designs. In the

case of the Soviet Union, it was Egypt's adherence to

socialism or, more precisely, the acceleration of its

socialist transformation. In the case of the U.S., it

was the emerging picture — as we mentioned before — of

a Middle East clear of Soviet influence and tranquil

enough to secure U.S. vested interests. U.S. economic

assistance was to proceed proportionally to Egypt's

consent to American designs; promises could be easily

made but real aid would be adequately disbursed.

By the end of 1975, even with the signing of the Second Disengagement Agreement, Egypt had not yet fulfilled the American conditions. What was actually required of Egypt was the complete obliteration of Soviet influence and a genuine peace with Israel. Both demands were met by Egypt in 1976 and 1979 respectively. That might explain why Nixon's promises of June 1974 of \$2 billion in projects to Egypt had trickled down by the end of 1975 to only \$250 million, mainly in foodproducts. Dreams of western technology and American

nuclear reactors were far from being realized, as Sadat declared:

«The part relative to (U.S. economic)
aid has been implemented. As to the
part relative to the atomic reactor,
Président Ford and Dr. Kissinger have
not been able to implement it....»128

The maximum that world capitalism had to offer was to establish a consortium based in Paris with a membership of the U.S., West Germany, Japan, Saudi Arabia and Kuwait to discuss solutions for the Egyptian economy; 129 but Sadat was far from satisfied:

*As for America, West Germany and Japan, we did not receive anything at all...»130

He was so desperate that he raised the idea of mortgaging the Suez Canal, the symbol of Egypt's national independence;

«I could ask a consortium of banks
to give me a loan against the
Suez Canal.»131

The other side of the correlation between economy and foreign policy is evident in Egypt's Arab activities since 1973. The illusion entertained by Sadat and the elite that, the moment Egypt reverted to conservatism, Arab money would pour in Egypt, was to prove far from real. The Arabs were ready to help Egypt as long as it continued to fight Israel but when Sadat's peace intentions became clear their attitude changed, as figures would

later indicate;

«Having helped subsidize the war,
the other Arabs wanted a longer
one; they believed the October
War was but one battle in a
sustained military encounter.»

Sadat refused to admit to himself that Egypt's main clout in Arab politics was its claim of defending Arab rights against Israeli encroachment and that once Egypt pulled out of the struggle, its clout became negative. He continued to demand some \$20 billion of Arab money under the slogan of an Arab Marshall Plan, as though the withdrawal of Egypt from the confrontation had indefinitely ended the Arab-Israeli conflict;

«When I laid my plan for the coming years, it was revealed that we were in pressing need of about \$20 billion, in addition to \$12 billion which we shall obtain from local currency with which to implement the 5-year Plan. After that our economy will be balanced.» 133

Sadat based his claim on Egypt's past struggle and sacrifices to the Palestinian cause and not on future efforts in the same respect, as though Egypt had no part in the conflict any more:

«What I am saying is not a favour, but a fact, a reality beyond imagination. L.E. 10,000 million is what this country had lost, and from being one of the richest Arab countries, it became one of the poorest. All for the sake of the Palestinian cause, and we are not complaining.»134

Since the Arabs felt that they had paid their share for the October War, when Egypt opted for peace their financial aid started to decline as indicated by the following table:

Arab Grants and Aid in Millions of Dollars

	1973	1974	1975	1976	1977	1978
Grants Cash Loans & Deposits	700 175		1,002	700 285	350 1 243	148 573
Project & Program Loans	30		22	87	158	164
Total	905	1,603	2,774	1,072	1,751	885.

135

As the economic situation worsened, Sadat in February 1976 toured six Arab states to put this situation «in all its details to the Arab brothers,» 136 and to raise \$4000 million in cash to meet Egypt's pressing short-term loans. 137 Ironically, the local Gulf media called his tour 'the mission of shehata or beggary'. His efforts regulted in establishing an Arab fund known as GODE (Gulf Organization for the Development of Egypt) to support the Egyptian economy. The fund was to engage in consultation with the

IMF and the IBRD, as Sadat déclared:

«On my last trip to six Arab states, we agreed to set up a fund during the next five years, provided the International, Bank will assume a consultative role, to straighten up the drive of our economy. 138

Sadat went as far as to suggest to the Kuwaiti Prime Minister that David Rockefeller would manage this Fund. 139 It took shape in March and the agreement was signed by the beginning of April 1976 in Riyadh. 140 But contrary to Sadat's expectations of \$10 to \$12 billion, the Fund's capital stopped at only \$2 billion to be dispersed over years. 141 The first loan Egypt was to receive from the Fund amounted only to \$250 million and arrived as late as December 1976. 142 Sadat expressed his dissatisfaction over this:

«...I am telling them (the Arabs) that the fund should take a form different to what it is meant to take...All we ask for is 10 or 12 billion over five years not 2 billion over five years.» 143

At the same time, Egypt was subjected to various western forces and pressures to 'reform' its economy.

IMF missions had regularly visited Cairo offering recommendations and by October 1976 the representative of the IMF in Cairo sent a confidential memorandum to

the Minister of Economics with suggestions to improve the economy. They included a devaluation of the Egyptian pound and a drastic reduction in subsidized commodities. Dr. Kaisouny, the Deputy Prime Minister, tried to challenge these measures «but it quickly became apparent that they were commands rather than recommendations.»

The limitations of Sadat's Arab policies to induce economic results left him completely dependent on the West and the U.S. in particular. Aware of the American requirements to complete the American picture, he severed the remaining formalities of the Soviet-Egyptian alliance in March 1976 by abrogating the Soviet-Egyptian Treaty despite the fact that both countries had reached a settlement on outstanding economic issues in February 1976. 146 Hence, U.S. aid to Egypt was increased from \$250 million on 1975 to \$750 million in 1976. 147 As usual, Sadat had his excuse ready for this new form of dependency, which significantly centered on the most sensitive issue in Egypt's domestic policies, namely, wheat:

*History repeats itself. After the 1956 war, we were on the verge of starvation and America refused to give us wheat but the Soviet Union did. In the past few years, the Soviet Union refused to give us but America did.»148 In the few ensuing months, when pressures were increased from the international monetary organizations for further economic 'reforms', Sadat tried to play the Superpower card by making some overtures towards Moscow. In his speech of May 1, 1976, he sounded conciliatory towards the Soviet Union as if to open a new page:

«If campaigns are mounted against us today, by the Soviet Union, we shall not answer them except by clarifications. We do not want to enter or escalate the battle with the Soviet Union and we appreciate what it has given us. We are also aware of what we have given it. We do not aspire to more than that day would come when our independent position would be understood and that relations between us would be established on new and solid bases.» 149

In June, he tried further to bridge the gap with Moscow by readvocating the Geneva formula long demanded by the Soviet Union for a Middle East settlement:

«In spite of any differences between us and the Soviet Union they agree with us that the proper place for the peace process is Geneva...»150

But times had changed and it was too late to open a new page with Moscow, which naturally reacted coldly.

The crisis of Infitah continued throughout 1976 and finally, in January 1977, Egypt relented to IMF pressures and raised the prices of certain basic commodities. This instantly triggered the most dramatic popular uprising since the burning of Cairo in 1952. Sadat insisted on calling this popular uprising the 'uprising of thieves' and refused to admit that income disparity was part of the cause; he depicted such analysis as 'communist propaganda'. Still, the fact remains that the government withdrew its pricing reforms immediately.

Evaluation of the Policy of Infitah:

Up to the present time Infitah has been in effect in Egypt for more than ten years and still the Egyptian economy is in a state of crisis. It has become common practice for the Egyptian ruler to travel to Washington yearly to request more economic aid. The question is, what went wrong with Infitah?

There is no doubt that Egypt, like all Third World countries, is in dire need of investment and technology, especially from the West. The West, on the other hand, looks to Third World countries as available or potential markets for its production of consumer goods. Transfer

of technology and capital from the West to backward areas would result in most cases in the loss of their absorbing markets. Reconciliation of these two contradictory goals is the agonizing task of Third World leaders who have opted for the capitalist mode of development or Infitah, as it is called in Egypt.

Judging by several/indicators, Infitah could prove inimical to Egypt's development and the standard of living of its masses and hence its social stability. A recent report by the IBRD mentioned that 11% of rural and 7% of urban inhabitants are living under the poverty Another report from the same source in 1980 stated that the share of national income of the privileged 5% of the population had risen during the seventies from 17% to 22%, while the share of the underprivileged 20% of the population had fallen from 7% to 5%. 153 estimated that during the decade of Infitah, the number of millionaires or 'fat dats' reached the 150,000 figure. A third'report by the IBRD in October 1983 revealed that 20% of the highest-income people share 49.5% of the GNI, while 20% of the lowest-income share only 5.1% of the GNI. The rate of inflation according to official statistics was confined to 3% and 4% in 1973, but it jumped to 11% in 1974 - the first year of Infitah - and to 21% in 1981,

while unofficial estimates including a report issued by the American embassy in Cairo put the rate at 30%. 156

The most alarming economic indicator is Egypt's external debt. According to the IBRD, this debt in 1970 stood at \$1,460 million. 157 By the end of 1984, a fierce debate in the People's Assembly exploded between the opposition and the Minister of Planning over the true figure of Egypt's external debt. Minister maintained the figure at L.E. 16 billion. 158 The IBRD, in October 1983, fixed the figure at \$30.8 billion, in addition to the \$3 billion military debt to the Soviet The irony is that officials calculate the debt in local currency at the rate of 70 plasters per dollar, while the official rate of exchange is 132 plasters per dollar, and 180 piasters in the black market, which reflects the true value of the Egyptian currency. August 1985, the Minister of Planning stated that the external debt is L.E. 16.7 billion or the equivalent of \$23.9 billion. 160 However, even if we take the figures of the Minister at face value, Egypt by all means is in an extremely difficult economic situation. Suffice it to note that its debt service in 1982 amounted to \$2.5 billion 161 or the equivalent of both its oil and Suez Canal revenues. The deficit in the balance of payments for 1981/1982

reached \$2 billion. 162 The worst was yet to come; in

February 1986 the Minister of Planning declared in the

People's Assembly that the debt service had reached

\$3.1 billion 163 while Egypt's oil revenues were cut by

two thirds due to the world oil glut.

The problem with Infitah's pioneers was their deep conviction that Egypt's economic salvation lay in external loans and aid. Sometimes officials would take pride in listing how, many loans Egypt has attracted this month or that year; in January 1980, President Sadat proudly declared that «loans and grants are pouring overus from all over the world...tens of billions are falling upon us for development, » 164 These officials have chosen to ignore Egypt's bitter experience a hundred years ago when it was enslaved by the 'Caisse de la Dette' in 1876. When Sadat failed to induce the Arab Marshall --Plan, he called in 1978 for the Carter Plan to provide Egypt with \$10 to \$15 billion 165 and when Carter did not respond, Sadat pleaded to the Tokyo Summit of the industrialized world in 1979 to grant Egypt a package aid of \$18 billion. 166 His plea was not heard.

Another question that should be raised is, how has Egypt benefited from Infitah in terms of economic development? A fair survey would prove that in more

than a decade of openness, Egypt saw no second High Dam nor another Helwan steel mill. On the contrary, foreign investors of Infitah capitalized on limited horizon projects such as luxury housing, luxury hotels, service activities and the like. The main thrust of foreign capital was directed into the banking sector, the symbol of economic sovereignty;

«(B) y 1974, that sovereignty
appeared to be in question.»

The first wave of six foreign banks came in 1974; in 1985 the figure rose to 75 banks less against 24 national banks. The result is that:

«The Western banks, allowed to operate in local currencies, would be able to take away most deposits from local banks, begin to attract local shareholders, gair a stronghold on the origination of investment capital, and eventually repatriate large hard currency earnings made possible by the mobilization of domestic capital.» 170

On the other hand, the private sector, which Infitah came to free and boast of, confined its activities to speculation, commissions, and black marketing, as Sadat admitted:

«I was hoping that the private
sector would contribute to this
(housing) project, but unfortunately,
it seems that their concepts revolve

only around gain and exploitation.»171

The end result is that the Egyptian economy has become - in the words of a former Finance Minister - «...a cow grazing the pastures of Egypt, with its udders being sucked dry from outside.» 172

Conclusion:

The above economic discussion reveals the crucial role played by the economy in Egypt's foreign policy particularly towards the Superpowers, since they are the biggest donors on the world scale. In the last few decades, this role became neither limited by certain stages of economic development nor exceptional circumstances - such as wars - but almost an independent variable of foreign policy. That is largely explained by the phenomenal gap - exacerbated by a population explosion - between growing needs and limited resources, forcing Egypt to rely heavily on foreign resources and investment.

As we have discussed, a large portion of Nasser's foreign policy activity during the fifties and early sixties was motivated by economic needs. He perceived that by impressing Egypt's importance, especially on the major powers, they would respond favorably to its

economic expectations. During this period, the severity of the economic situation was quelled by some foreign resources manipulated by certain successes in foreign policy and by the fact that the economic gap had not yet reached disestrous proportions. However, the problem was highlighted by the 1967 defeat, which deprived the country of direly needed resources and western credits, in addition to increasing military expenditure. As an example of how the economy shaped foreign policy, wasser, who spent years fighting reactionary Arab regimes, was compelled in 1967 to accept their financial donations and to change his policies towards them.

the management of a daily crisis with the fear that next day might bring disaster. Nasser survived by diverting resources allocated for economic development to local consumption: President Sadat managed barely by borrowing a million from here and some millions from there but still the crisis loomed. Despite the worsening situation, the search for a new economic strategy during the early seventies was unthinkable since Egypt was a hostage of its military confrontation with Israel. The national cause and the liberation of Sinai was the nation's

highest priority; to give precedence to the economy would mean high treason. Even if the regime was willing, the options were strictly limited by the polarization of the Middle East situation and Egypt's dependence on Soviet arms. The game of playing the Superpowers against each other was inapplicable.

Sadat inherited Nasser's legacy in late 1970; a congested socialist mode of economy which virtually relied on one foreign source for economic assistance, the U.S.S.R. Sowiet assistance, as we explained, was becoming more and more insufficient to satisfy Egypt's needs by virtue of several factors; most importantly, the Soviet Union itself was suffering in areas where Egypt was really desperate, namely food commodities, foreign exchange, and credits. The implications of this economic situation for domestic politics were a major source of alarm.

President Sadat should have been aware that the people's tolerance for economic hardships under the claim of war was a limited mandate and that sooner or later he had to face unpredictable consequences.

As argued before, a great part of the ruler's legitimacy in Egypt depended on his ability to secure the elementary needs of the masses. However, President Sadat remained

a prisoner of Egypt's territorial-security problem and its daily pressures and demands. He was torn by several pressures; to haggle for Soviet arms, to allocate and reallocate scarce resources for an endless war, to put up with futile diplomacy, and finally to deal with internal discontent over the regime's impotence to launch the battle. Moreover, he knew that the battle would not end his predicament but would trigger greater challenges.

Prior to the war, the only economic-related foreign activities initiated by Sadat were to forge alliances with conservative Arab regimes, led by Saudi Arabia, to solicit financial aid from them and to try to talk to the U.S. through them. In turn, the Saudis used their aid in pressuring Egypt to reduce Soviet influence. compelling conclusion of this dilemma seemed to be that most of Egypt's problems, either in the short or long term, could be satisfactorily resolved - as in the domino theory - if the territorial-security problem was resolved. At least the awesome military expenditure could be substantially reduced and resources captured or impaired Judging by the durability. by the enemy could be regained. of the Arab-Israeli conflict, Sadat's hopes were only moderate; i.e. to start a constructive process for a

political settlement which would bring a sense of relaxation to the region. That in turn might have created a favorable climate for private investment, at least, which would bring some life to the economy.

Sadat's calculation proved relatively correct, measured by the political results of the October War. Egypt - an underdog for more than six years - suddenly . became pivotal to global diplomacy and world economic activities. Those who previously despised it came to discuss world affairs with its president. Ironically, it was Egypt - economically strangled in the past by the U.S. and the West - which mediated forcefully on their behalf to lift the oil embargo imposed on them by the Arabs during the war. Rapid developments towards a political settlement led to the relative amelioration of Egypt's territorial-security problem and, simultaneously, to the saliency of the economic problem; a natural consequence of wars. In addition, there were encouraging signs that Egypt's options were expanding. Improvements in U.S. - Egyptian relations were spectacular, with Nixon visiting Egypt and promising economic assistance. Arab cash grants kept coming to Egypt in considerable quantities and western delegates to Cairo explored grounds for Consequently, a strong belief swept Egypt investments.

that it was on the threshold of an economic breakthrough or, as Sadat elaborated, it was Egypt's second crossing:

«This is our second crossing
from a state of economic bankruptcy and extreme exhaustion in
all our services to a new stage
that will lead to an all out
economic prosperity.»173

As we discussed, the results of the war had expanded Egypt's options. In the economic sphere it came to possess three alternatives: to maintain the existing socialist . order and continue dependence on Soviet economic assistance, to try to forge balanced relationships with both Superpowers, playing one against the other for economic gains; or to change course completely towards exclusive cooperation with the West led in particular by the U.S. The first -option seemed futile after being operational for more than a decade with poor results, although - one could argue - Sadat could have capitalized on the community of arms and the war achievements to make Moscow more responsive to his economic demands. But it was evident that Soviet-Egyptian relations were strained for the last three years over arms issues; and the Egyptian economy was in no position to wait for the results of diplomatic reconciliation.

The second option, a return to the policy of balanced relationships between the Superpowers and economic

dependence on both, seemed of limited use, or actually The climate of the cold war of the fifties and early sixties on which Egypt thrived, was changing and the Third World in general was losing its clout in global diplomacy. By the seventies, the Superpowers were demanding no less than full identification from those seeking assistance and protection. Sadat learned his lesson when his decision to expel the Soviet advisors from Egypt, although a major step in reducing Soviet influence, was met in Washington by deliberate coolness. The U.S. would accept no less than complete and final elimination of this influence. At the same time, the Israeli influence and lobbying in Washington was reaching proportions that demanded from Sadat more over-bidding in his overtures towards the U.S. A balanced relationship with both Superpowers at this stage would discourage potential investors who feared that at one time or another the balance might tip in favor of the U.S.S.R.

The third option seemed more compelling since it would open the gates for foreign investment, Arab finance, western technology and, most important, American economic assistance on a large scale. Sadat for his part, did not have the luxury of time for extensive studies or for mobilizing national consensus. The challenge to his

after the war, was becoming a constant threat. In addition, those powerful social forces from the bourgeoisie who supported him in the power struggle of 1971 were eager to reap their reward by economic liberalization. Hence, motivated largely by the economic factor, Sadat readily reversed courses: from a warmonger to a peace-loving leader, from a friend and ally of the Soviet Union to its adversary and from enmity towards the U.S. to alliance and cooperation. The full transformation took less than three years.

In due course, Sadat consented to the American design for a Middle East largely dominated by the U.S., with peace reigning between Israel and its neighbours.* The reward was proportional to Egypt's consent to this design; from \$250 million in 1975/1976 to approximately \$2,500 million in 1985. The design became clearly operational by the beginning of the eighties; Egypt is now the second biggest recipient of American aid after. Israel. Between 1975 and 1984 it received approximately \$9 billion, half of which went to the military field.

^{*} In 1979, President Sadat signed a peace treaty with Israel and since then, American economic assistance to Egypt has substantially increased.

The terms of this aid obliged Egypt to use it only in U.S. markets and it is supervised in Egypt by 1,116 American personnel with expenses amounting to 25% of the aid itself. 175 Egypt depends on the U.S. for 60% of its wheat and for 100% of its maize. 176 Under this program, Egypt has become the second largest market in the Middle East for American commodities and pays \$726 million yearly to the U.S. as debt service. 177

The problem is that after more than a decade of Infitah and close cooperation with the West and the U.S. in particular, Egypt still lives a daily economic crisis and the debate over different strategies is still going on. When faced by mounting criticism over Egypt's dependency on the U.S. and the effect on its decisions and policies, President Moubarak exclaimed in May 1985:

«Who would give me free \$2315 million...?»178

This question remains to be answered.

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CHAPTER IV

THE IDEOLOGICAL EXPLANATION

INTRODUCTION

This explanation, like the two preceding ones, assumes that the radical reorientation of Egypt's foreign policy towards the Superpowers was largely self-initiated rather than reactive in character. However, it differs from these in pointing to ideology and sub-national interests rather than tangible national interests as the primary motivation for this shift. President Sadat was not only anxious to resolve Egypt's pressing territorial—security and economic problems but also, at a deeper level, to bring about fundamental changes in Egyptian society. In this latter endeavor, he displayed a definite ideological attraction towards certain features of Western societies.

Beside his genuine ideological predispositions,

President Sadat's affinity for western-type socioeconomic

systems had two major components. The first was that he

came to the conclusion that Nasser's socialist order

had led to the continuous deterioration of the Egyptian

economy and that, unless a radical change was introduced, the consequences of the situation could be fatal for the country and the regime. The second was that Egyptian bourgeois elements were growing in power and influence since they became the pillars of his regime after the purge of the Nasserites in 1971. His interests and theirs had converged in seeking a new economic system based on free enterprise and privatization. Structural economic changes would not succeed unless similar or much deeper social changes were carried out by exposing the short-comings of the socialist order and creating a different system of values.

This powerful ideological perspective, besides generating substantial changes in Egyptian society, was to have a profound impact on Egypt's foreign policy, particularly towards the Super-powers. According to this explanation, it would have been difficult to initiate these major social changes within a framework of exclusive dependence on the Soviet Union or even one of balanced dependence on both East and West. The Soviet Union, it is argued, was bound to react in a hostile fashion to these developments, thus making impossible a balanced state of dependency. For, as long

as the Soviet Union maintained its influence in Egypt, it would be in a position to impede or even reverse these developments by supporting elements who opposed them.

Sadat's ideological predispositions and the domestic changes which resulted therefrom, especially the reconfiguration of the elite, not only made Egypt more attractive to the West but also provided additional inputs for Sadat to seek its help. The neo-bourgeois elements which he nourished and encouraged were naturally very supportive of this new orientation and were instrumental in the process of shifting alliances.

Inevitably, we have to discuss in some detail the domestic aspect of Sadat's ideology and the interaction of various political forces as Sadat's point of departure in his new foreign policy course. For while both territorial-security and economic problems were of a tangible nature as variables in Sadat's foreign policy, ideology was a subtle force behind choices and changes.

The Origins:

In studying the politics of Third World countries, one cannot resist examining the sweeping phenomenon of the role of the individual in influencing the historical

course of a particular country. Long after their deaths, debates and controversies—about Nasser, Nkrumah, Sukarno and Nehru are still alive. Why has personality become a major determinant in Third World politics? Heikal argues that - according to a modern school of politics and history - «The phenomenon of the historical individual is related to backwardness and that it only appears in societies passing through the agonizing stage (of modernization); while developed societies do not need the role of the leader or the hero, for their lives and movements have long been established on constitutional norms that surpassed by far the role of the individual.» 1

In his study of Egypt's foreign policy, Ali Dessouki considers the personality traits of the leadership as a crucial variable in shifting alliances and direction, though he emphasizes his reservation that leaders do not act in a vacuum. A closer examination of Egypt's ideology under two salient leaders, Nasser and Sadat, would lead to the conclusion that the ideological orientation of both men has greatly influenced the foreign policy direction of their country. They might have accommodated various opposing forces but, nevertheless, they ultimately attained their particular ideological

dreams. Although this work is particularly concerned with Sadat's ideology as a determinant of his foreign policy, especially towards the Superpowers, one has to reflect first on the origins and ideology of the Free Officers' movement.

On the surface, Sadat's ideology seemed a flagrant deviation, and a setback, from the revolutionary process triggered by the July revolution of 1952 which reached a climax in Nasser's socialist transformation during In reality, one could argue that Nasser the sixties. was the exception while Sadat was the rule, that Nasser's socialism was the deviation and not the natural product of the July Revolution. In other words, by the late fifties Nasser had led a social revolution from within the Revolution, while Sadat in May 1971 had launched a 'corrective revolution' to bring the mother Revolution back to its natural course. According to this argument, socialism should be considered an alien ideology to the mainstream of the Free Officers, enforced only by the mérits of the historical leadership of Nasser. Furthermore, Nasser's ideological transformation from a liberal middle class nationalist into a socialist-revolutionary was not matched by a similar development in the ideology of his colleagues, with few exceptions. Thus, his

socialist experiment was bound to fail since it contained the seeds of its own destruction and defeat, as his movement gathered those who one day would reverse the process. In the words of Regis Debray:

«Every country which has experienced revolution has seen the revolutionaries on one side facing the reformists and future traitors on the other.»³

The origin and ideology of the Free Officers corps supports the thesis that they were just reformists who came to reform an ailing regime and not to challenge its basic concept. From a Marxist perspective, they were not the bearers of a new mode of production but simply the continuation of the old one;

«Their illusions in 1952 were due essentially to their lack of direct contact with the productive process, to the fact that, like other sections of the petty bourgeoisie, they were not the bearers of a new mode of production. They were therefore committed to the established mode of production yet relatively unfamiliar with its operational laws.»⁵

The ideology of the Free Officers' movement was rather of a crude and diverse nature and embraced a wide spectrum from Marxism to the Moslem Brotherhood, bound only by nationalist aspirations to cleanse their country from corruption and foreign domination. This simple

ideology was clearly reflected in the six principles of the July Revolution which did not envisage a program of change but rather that of reform. However, dreams of reform were suppressed by realities of power-in-practice and the young officers were confronted by a two-fold dilemma, the impotence of the masses to carry out the revolutionary task and the efforts of the old elites to reverse the situation.

The absence of a coherent ideological framework was evident during the early years of the Revolution to the extent that Nasser admitted that he and his colleagues came to power without the least idea of what should be done. Pragmatism guided their first steps and they were to apply an approach of trial and error without being attached to grand designs. Socialism in particular was first mentioned by Nasser in a speech in February 1955 and it took him an additional two years to define his concept of a society based on democratic cooperative socialism. For Nasser these two years seemed to involve an extensive educational process mainly derived from external sources. The confused and inexperienced young officer was exposed during the Bandung Conference in 1955 to Asian socialism represented by two charismatic

leaders, Chou En Lai and Nehru. 11 The Suez crisis added to the process by depicting the western imperial powers as Egypt's enemies and the Soviet Union as the champion of its cause. Socialism, at this stage in Nasser's ideological evolution, could be a rejectionist stance against foreign domination and hegemony rather than a pure and decisive ideological choice. That might explain why socialism took a few more years to become, in 1961, psychologically accepted and officially adopted.

Pragmatism, which led Nasser's early steps, was again evident in proclaiming the new socialist order before adequate social mobilization and mass education. Nasser was aware of the short-comings of the experiment when he complained of the absence of an intellectual and academic framework for Arab socialism; he would say that the practice of socialism in Egypt had by far surpassed the theory. Nasser came to the conclusion that social awareness could materialize spontaneously among the masses if gains accrued. That led him to establish the 'organization' before creating the 'cadres' and in so doing he turned to the bureaucracy, the most capable segment but at the same time the most deceiving. The result was that when the masses were called upon to

vote, they voted for the same old families and persons who had always been dominant. 14

Ironically, the very people who joined Nasser's Liberation Rally and the National Union in the fifties. were the same people who joined the ASU in the sixties and willingly shifted their allegiance to the Misr Party and the National Democratic Party under Sadat during the In Heikal's words, the authority changed but seventies. the people did not. 15 The bureaucracy and the new cadres of the ASU were mainly recruited from the lower and middle bourgeoisie 16 with a membership of 5 million (out of a population of 30 million at the time), which led not only to its paralysis 17 but also to the emergence of the new class. The edifice of socialism was in fact held together by Nasser's personality and charismatic leadership; thus when he disappeared from the stage, it was not difficult for the real inheritors to claim the state.

As external inputs contributed to Nasser's ideological evolution, ideology in reverse became a major determinant in his foreign policy, especially towards the Superpowers. The choice of the socialist model of development and progressive foreign activities led to closer cooperation with the Soviet Union, which was just willing to assist Egypt as a potential ally. The same choice and activities

triggered the gradual deterioration in Egypt's relations with the U.S., which considered Nasser's policy and ideology a threat to its vested interests and allies in the Middle East. The reaction of the Superpowers to Nasser's ideology was clearly reflected in their policies towards the Arab-Israeli conflict. Because of Nasser's alliance with the U.S.S.R., the U.S. totally identified with Israel and ultimately the Middle East situation was completely polarized between the Superpowers. When Egypt was defeated in 1967, Nasser naturally turned to his Soviet ally for more assistance and help and eventually became fully dependent on the U.S.S.R. and at the same time an adversary of the U.S.

Sadat was the man to reverse the course that took
Nasser more than a decade to choose and establish. Sadat's
genius was his ability, for eighteen years, to survive
the turmoils of the Revolution and to accept with humility
to live in the shadow of the leader, with little or no
power. As a keen observer, he knew that competing with
the 'boss' was a practice in futility; he therefore read
the mind of the leader and supported his policies even
before they were declared. He became a tool in building
Nasser's political organizations or his master's voice

in attacking adversaries, as he did when he attacked Khrushchev in 1959. 18 After the 1967 defeat, he sensed that Nasser would become more dependent on Moscow and to appease the tendency he suggested to Nasser the Soviet model in building the U.S.S.R. after World War II. 19 When he made a faulty assessment, which was rare, he would quietly retreat to safety. In 1970, the Rogers' Plan was declared while Nasser was abroad and Sadat hastily rejected it; but when Nasser surprisingly accepted the plan, Sadat muted his opposition. 20 Unlike most of his colleagues from the Revolutionary Command Council, Sadat never expressed a particular ideological inclination. He remained to most observers an ideological enigma but Nasser's death was to activate Sadat's real ideological identification.

Sadat's early political activities in the forties were of a narrow nationalist nature, to cleanse his country of British occupation but not to create a new order, a dream and a fashion that was shared by a whole generation. Had he not become president, his name would have been of less significance compared to hundreds of names that fuelled the nationalist movement of the forties. But after he emerged, the state propaganda coloured his role in the assassination of the Wafdist leader, Amin Osman, as the most heroic act of the movement, though he was

found not guilty. From the wide spectrum of the nationalist movement, Sadat chose to identify with the most rightist and fascist groups, the pro-Nazi movement and the Moslem Brotherhood. His admiration for Hitler and dictatorship as a cadet 21 did not diminish after he became president. 22 His alliance with the Moslem Brotherhood and his fascination with its Supreme Guide, Hassan el Banna, had been forged since they helped him financially during his imprisonment; 23 yet it was he who sentenced them to death in 1954 when they plotted to assassinate Nasser. 24 It was not exceptional that Nasser recruited him to the Free Officers' Organization, since he recruited elements from different persuasions; but Sadat gives a distinctive reason:

«From my record in the armed forces, and from (Nasser's) experience since we first met early in life, he gathered I was a man of principles and lofty values.» 25

For the next twenty years, 1950-1970, Sadat's political behaviour was marked by caution and prudence.

That might be attributed to his prison experience and the loss, twice, of his social status. Under Nasser, he never competed even with junior colleagues and was content with nominal posts rather than seizing real power. 26

Sadat attributed his cautious behaviour not to prudence but to his superiority and dismay. He took the position «of a detached observer watching their (his colleagues) conflicts as though from a window in an ivory tower, laughing but wondering all the while.»²⁷

An attempt to reconstruct an ideological portrait of Sadat based on these early indicators is intriguing. A young man and officer who was ready to play contradictory characters in one long play; a conspirator, a plotter, and an activist who was ready to lend his skills to different causes. His behavioural inconsistencies revealed an ambiguous sense of revolt and an identity crisis making him always ready to shift his allegiance and loyalty. Sadat shared his personality traits of the peasants from his own province, Menoufia, known for their remarkable patience and ability to conceal hatred whilst claiming friendship. One of his early books, which he addressed to his son who was named after Jamal Abdel Nasser, 'My Son, This Is Your Uncle Jamal' was dedicated to praise Nasser but after the latter's death, the book suddenly vanished and Sadat devoted a great deal of his efforts to attacking and denigrating his former ideal. power he tried to resolve the identity crisis, and the

young man who had revolted against poverty would befriend the royal and the rich. Power would give him the right to join the social stratum to which he aspired, to become one of its members, but only his deeds would gain him a real acceptability. He knew that they had long despised his predecessor for his social ist policy, and he was ready to address their grievances and call for a new order.

An Historical Interval and the Decree of Destiny:

The sudden death of Nasser had set free all forces and currents opposing his socialism and brought to the surface those who were hiding in fear of his reprisal. The state of occupation and humiliation which he left behind made his legacy vulnerable to attacks by fintagonists and difficult to defend by followers:

«It was to be admitted that in 1967 Nasser failed in one of the fundamental duties of any ruler - he failed to defend the borders of his country.» 28

The territorial-security problem and the deteriorating economy were two aspects of the legacy; another was Egypt's retreat from full independence and relative freedom of decision to a state of exclusive dependence on the Soviet Union with whatever constraints this state of affairs

would impose.

As further discussions will reveal, Sadat was one of those who had fundamental ideological differences with socialism which he prudently kept dormant during Nasser's time. Now that the barrier was removed, the new leader could bring the changes he deemed crucial. Nothing would convince dreamers more than material gains which could only accrue by invigorating a new economic order. Economic revival is not the profession of the bureaucrats but of social forces capable of creating and accumulating wealth without state intervention.

But even death could not suddenly erase an era or obscure a legacy, for Nasser had successfully invaded the hearts and minds of many. What was needed was a complex process; to dismantle the old kingdom, distort the image of the previous pharaoh, and build a new reign with a different image. The success of this process would convince those who were under Nasser's spell to reconsider and question his deeds and policies and subsequently follow the new leader towards a new dawn.

A great deal of literature written about Sadat claimed that he gained legitimacy by conducting the October War in 1973, thus turning the defeat and humiliation into

victory and pride. This is partly true, for Sadat was certain that full legitimacy would not accrue unless he uprooted the myth of the man who was still occupying the stage from the grave. One could argue that Sadat spent the years of his presidency haunted by Nasser's death and striving to complete the process of obliterating a memory and erasing an era. 29

In rewriting history, it was the decree of destiny which corrected the path and brought Sadat to power.

Nasser's years were an historical interval, rootless and alien; while Sadat was the personification and continuity of Egypt's fate and history. He wrote in the prologue of his autobiography:

«This is the story of my life, which is at the same time the story of Egypt since 1918 - for so destiny has decreed.» 30

Nasser was the man who undermined Sadat's leadership, usurped his own revolution, dominated those who were his own disciples and confined him to the shadow of the 'leader'. Nasser played Sadat's role in exiling the King, evacuating the British, and becoming a world hero;

«When I was imprisoned in 1942,
Nasser took over command of the
Free Officers' Organization and

remained in charge for a very long time indeed (six years), during which I was an inmate of prisons and detention centers. When I was released, I had to be reinstated in the army so as to participate in his and his colleagues' activity - activity that I had originally started.»31

Circumstances were on Sadat's side. When he came
to power, Nasser's socialism was faltering, especially
in the economic aspect as discussed in the previous chapter;
the uneducated masses preferred to eat rather than to
hear about grand theories. In the words of Samuel P. Huntington:

«Those who are converned about the immediate goal of the next meal are not apt to worry about the grand transformation of society.» 32

Ironically, some of Nasser's domestic policies helped Sadat's new course. First, by removing from power potential contenders from the Revolutionary Command Council and the army; when Nasser died, only two from the old guard clung to power, Sadat and Hussein el-Shafei, and both were considered of no significance. Second, by failing to turn the ASU into a viable political organization that could guarantee the continuity of his political order. The seeds of the ASU's destruction lay in its very structure; based on a membership of 5 million, its

paralysis was inevitable. 33 Moreover, as we argued before, the establishment of the organization before the creation of the cadres led to infiltration by its very enemies from the petty bourgeois stratum. Nasser in his last years realized this error and sought to amend it by establishing the 'vanguard' organization within the organization. That in turn led to the emergence of the centres of power which consolidated their dominance by additional excessive and repressive measures, especially after the 1967 defeat. The police nature of the regime made democracy a nation-wide demand which the March Program in 1968 failed to correctly assess and address.

The comparison between him and his predecessor depicted him as a provisional or caretaker ruler who would soon give his seat to the real inheritor. This image was shared by his fellow citizens as well as by foreign observers. But as a long and keen observer of domestic politics, Sadat sensed where the real power resided. He immediately cultivated an image of a national conciliator by appointing as Prime Minister Dr. Mahmoud Fawzi, a well known moderate. Persistently he moved to create his own power-base from the strongest social force, namely the

bourgeoisie and the landed aristocracy, who had long prepared themselves for the opportunity. Two months after his election, Sadat gave the most significant signal to his domestic allies by lifting measures of confiscation and sequestration imposed by Nasser. In April 1971, this social force demonstrated its gratitude by supporting Sadat within the Central Committee of the ASU against the Nasserites over the issue of the Confederation of the Arab Republics. This particular issue was raised by the Nasserites to curb Sadat's tendency to deviate and to become the supreme decision-maker; they were not ready to be taken by surprise over crucial issues, as when he declared his February 1971 peace initiative without consultation.

The debate over the Confederation of Arab Republics in the Central Committee triggered a chain reaction power struggle between Sadat and the Nasserites led by Vice President Ali Sabri. Backed by the bourgeoisie and the landed aristocracy, who felt that Ali Sabri was their staunch enemy and Moscow's man, and aided by the advantage of being Nasser's designated successor, Sadat on May 14, 1971 purged the whole Nasserite establishment. One of Sadat's allies in that purge was Moustafa Kamel Mourad, who — initiated the motion to expel 16 Nasserite Deputies from

the People's Assembly. 38 Mourad, an ex-Free Officer, would become in 1977 the leader of the opposition as head of the Liberal Party, representing the extreme conservative right. The swiftness of the purge supports the argument that the ASU and the Nasserite establishment were mere paper tigers which could not stand the first serious test.

In the aftermath, Sadat strengthened his position by introducing certain measures of political freedom which won him much popularity, 39 to the extent that he attracted the allegiance of a wide sector of the left which perceived his call for democracy as genuine. cabinet of May 1971 included names like Dr. Ismail Sabri Abdulla, a former Secretary General of the banned Egyptian Communist Party. But the illusion of the left was soon to confront hard reality as Sadat moved steadily to trim and tame the ASU; finally, in January 1972 he appointed as Secretary General of the ASU Sayed Marei, the representative of the landed aristocracy and his would be in-law. The appointment of Marei was a clear indication of the course the ASU would take in the future; Marei elaborated on his mission in the organization:

«My goal was to create a sort
of political openness and to

pave its road so we can reach together with the masses - and after a period of transition, a significant stage from which we could create 'Manaber' (or fora). From the Fora we could cross to the other bank, to the freedom of establishing political parties.»40

In a step towards democracy, Sadat, in September 1971, introduced the 'permanent' constitution to replace Nasser's revolutionary legitimacy. This constitution contained the tools for repression which Sadat, in the ensuing years, would use to attack the opposition under the pretext of the supremacy of law. For example, article 74 generated a great deal of controversy as it gave the President the right to resort to exceptional measures, «If any danger threatens national unity or the safety of the motherland.» The loose definition of threat and danger allowed a series of legislation of an unconstitutional nature, to the extent that it was referred to by the opposition as the 'laws of bad reputation'.

In October 1973, Sadat gained the greatest prestige in his career as President by the 'crossing' of the Canal. The man who was the laughing stock of his countrymen, and the world abroad, was hailed for his great deeds on the war front. The crossing was Sadat's vehicle to

the long denied legitimacy and the building of an almost unassailable position. All Not only was legitimacy restored but, most importantly, he could now straighten the record, settle the account, acut down, the previous deity, and proclaim the beginning of a new world.

The process of breaking between Nasser's and Sadat's Egypt began immediately after the war. In the beginning, Sadat remained silent but loyalist writers and journalists preached the new order; under the pretext of national unity and democracy, staunch enemies of Nasser were given the floor. Moustafa Amin, a veteran journalist who was jailed under Nasser for spying for the Americans, was freed and reinstated. In few but exhuberant words, he used the 'crossing' to symbolize the new dawn brought by Sadat after the darkness and disaster brought by

*Crossing from defeat to victory, division to unity, shame to dignity, oppression to justice, terror to security.»44

In the following years, Sadat used the same terms, if not words, to compare his rule to that of Nasser's:

«During the past 18 years (Nasser's reign) we faced disaster and then came the sequestrations, the arrests, the detention camps and degrading the dignity of man.»45

And:

«There is no doubt when documenting this period (of Nasser) one should say that the sixties were the years of pain and defeats.» 46

In April 1974, Sadat made clear his ideological preference by introducing the October Paper and announcing the open-door economic policy, or Infitah. The document clearly revealed Sadat's preoccupation with the creation of a new economic order based on liberalism and free enterprise. In the political aspect, it failed to present a coherent mode of conduct to replace socialism, though on the surface it stuck to some of its basic ideas such as 'the alliance of the working powers of the people' and rejected the call for a system of political parties, a pledge on which Sadat would renege in 1976. One could argue that Sadat's course was not governed by firm and clear principles but rather by a broad concept of how Egyptian society could be reshaped, where previously alienated social segments would be reintegrated, and how economic development could be accelerated. Some dominant themes in his statements are worth noting as indicators of his ideological leanings; the call to pave the road for private enterprise, to restore Egypt's true spirit of love not the rancour generated by socialism, 47 and

to free the individual from being a cog in the wheel of production. 48 Besides, his zeal for economic and social changes seemed to be partly motivated by an instinct of survival in the face of threats posed to his regime by the adherents of socialism. Consequently, he was ready to enhance the power of the right through economic concessions, while at the same time fragmenting the power of the left by repressive measures though under a democratic cover. That might explain why the haste to liberalize the economy was not matched by a similar process in the political system. In fact, reforms in the latter sphere were considerably delayed and when they materialized they were controlled by authoritarian legislation, as we will argue.

Despite the apparent commitment to socialism, the October Paper sharply deviated from basic socialist economic concepts, especially the control of the means of production by the public sector.

«...(T)he public sector endured the burden of annexing utilities which should have not been annexed to it...because these utilities were either scattered or were small in size or should have been left to the private sector.»

Doubts were cast regarding the economic tools of socialism

such as sequestration and nationalization. These measures were not motivated by the need to realize a degree of social justice but by the urge to penalize or by hatred, as Sadat frequently elaborated.

«Some of the decisions to annex these utilities to the public sector were motivated by a penalizing trend which distorted the image of the public sector.»50

The Paper outlined the new economic order by emphasizing the role of the private sector as the engine for Egypt's economic development and the means to increase productivity, and hence called for the emancipation of this sector from laws and acts which hindered its activities.

«It is time for these conditions to disappear altogether and for the private sector to find real stability and encouragement.»⁵¹

As mentioned in the previous chapter, this open-door economic concept was quickly legalized by Law No. 43 of June 1974 which literally opened the Egyptian economy without limitations to private and foreign investment. To those who warned that Infitah would ultimately lead to economic dependency, Sadat replied.

«We must not live in the past and its complexes. The danger of the domination of the destiny of the country by foreign capital has disappeared.» 52 In the years to come, Sadat's entanglement with local and world capitalism was deepened and cemented. Ultimately, capitalist elements and compradors come to dominate the state institutions and to exert considerable influence in the process of decision-making. As we elaborated in the previous chapter, Law No. 43/1974, or the Gospel of Infitah, with 57 articles, was approved by the People's Assembly in just one session. This entanglement undoubtedly made Sadat the witness and the victim of the failure of nis own economic dream without being able to amend the course. In the political aspect, the Paper clearly challenged the dominance of the ASU as the sole political organization:

«...I also do not accept the theory of the one party which imposes its tutelage on the people and takes away freedom of opinion.»53

The contradiction between the concepts of the October Paper and the socialist system would be gradually resolved in the ensuing years.

The October Paper was an explicit signal to the rightist elements who interpreted it correctly. A few days after the declaration of the October Paper, Saba (Pasha) Habashi - a former Minister of Finance during

the Monarchy and an 'enemy' of the Revolution - wrote in Al Ahram attacking socialism in a very cynical way:

«In our haste to bring about distributive justice and the 'melting' of class differences, we resorted to confiscation and described private capital as despicably feudalistic and a contemptible means of class domination and exploitation, without making any distinction between investment and exploitation. One of the results of this misguided policy was that savings melted away with class differences.» 54

Sadat used the same theme when he later attacked Nasser's socialism openly:

«Was I required to distribute poverty among the country? This type of (Nasser's) socialism would amount to distribution of poverty. No, I will open up as I intend to distribute prosperity among the people and not poverty.» 55

Ahmed Abu al-Fath, the former Wafdist journalist who had lived in exile since the mid-fifties, returned to Egypt in the spring of 1974, and appointed himself the 'hanging judge' of the Nasser era. He wrote in Al Ahram in April 1974:

"All those who committed crimes in the past against the rights of the people must be held accountable for their deeds... We must take a new look at all existing laws that hinder the private sector.»⁵⁶

After announcing Infitah, Sadat turned his attention to minimize the power of the ASU and weaken its capacity to check the government. In August 1974, he presented another document, 'Developing the ASU', in which he attacked Nasser's National Charter of 1962, and declared that political organizations could not be erected in a void; hence the search for an adequate political system should be postponed, ⁵⁷ thus rendering the power of the ASU nominal.

Moving to another stage, Sadat openly joined the heated campaign against socialism. He cleverly exploited two main deficiencies of Nasser's regime; economic congestion and the lack of political freedom.

Reclaiming the Revolution and Further Democratization:

Starting from 1975, the May 1971 movement which resulted in the purge of the Nasserites was renamed the 'Corrective Revolution' in a clear insinuation of the end of Nasser's legacy. In Sadat's words:

"We may remember that I was
insisting for a long time, on
using the term of May 15 movement but, as its features have
now been completed, I can say

that it is a complete revolution.»58

The new revolution established its own values, based on those of the Egyptian village, which drastically differed from those established by Nasser. Instead of hatred and class struggle, social security and peace should be revived and instead of social classifications such as reactionary and progressive, Egypt would become again the one large family;

«We have also transported Egyptian reality from a state of revolutionary legitimacy, which aimed at changing pre-Revolution society, to a state of constitutional legitimacy wherein laws are set to establish the general conditions of society. Class struggle based on hatred and social separation has been replaced by social security and peace based on the values of the Egyptian village which are love and cooperation within the one single family.»59

The National Charter of 1962 and the March Programme of 1968 were not written to be implemented but to contain social agitation, and thus enable Nasser to maintain his dictatorial grip on the people and the country:

«The people found out that the so called Charter had never been applied, that it was introduced only to 'absorb' their wrath after the setback they had suffered when the unity with Syria broke up. Nasser then

issued a statement, which came to be referred to as the March 30 Statement...Indeed the people soon found out that the March 30 Statement simply maintained the regime's dictatorial grip.»⁶⁰

The process of further democratization began by the end of 1975 when Sadat entrusted a committee with the task of studying the future of political action. In March 1976, two weeks after the abrogation of the Soviet-Egyptian Treaty, the committee presented its report which recommended the establishment of three tribunals or 'manaber' to represent the left, center and the right within the ASU; accordingly, elections were held by the end of the year for a new assembly. But Sadat in his speech at the inaugural session of the new assembly surprised everyone by his decision to convert the tribunals into political parties without the least consultation with their leaders. He told the deputies:

«I adopted a decision which was formed and imposed by your (election) campaign and the will-power manifested by the people... This decision is that, as from today, the three political organizations (Manaber) should become political parties.» 61

This decision was unconstitutional, as it contradicted article 5 of the constitution which states that the

ASU was the only political organization responsible for political action; ⁶² it took Sadat four years to amend this article. ⁶³

Pluralism was to be guarded; and hence the supremacy of law was used to allow desired political parties and ban undesired ones. The 1979 referendum had made the acceptance of the Camp David Accords a precondition for forming new political parties, thus preventing Nasserites - even after Sadat's death - from establishing their own. Sadat vehemently opposed the formation of a Nasserite party by resorting to his arsenal of repressive laws. He allowed the New Wafd and the most rightist elements to function as parties but not the Nasserites in fear, that they would share his legitimacy; the legitimacy of being Nasser's designated successor.

It was relatively easy for him to attack the left, in general, as agents of the Soviet Union and adherents of an alien ideology or as atheists who disbelieved in God in a deeply religious country. But the case with Nasserism was different; it became not only the ideology of the genuine Nasserites but also the ideology of the majority of the new generation - especially the students - who saw in Infitah the road to dependency and economic

They were witnesses of their own despair deterioration. and inability to become socially mobilized in a society polarized between the haves and the have-nots. education - one of the social gains under Nasser - was supposed to grant them a higher status; but under Infitah opportunities were bleak. Most importantly, the new generation, by the merits of age, became the most threatening opposition for Sadat. When the food riots of 1977 erupted, Sadat granted an interview to representatives of the students in the hope that he might win them to his side. The interview became critical as the students attacked Infitah practices, even by the President's entourage and a Sadat family member, Sayed The students made clear their apprehension of Sadat's socio-economic policies and showed their preference for Nasserism. Sadat burst into one of his heavy-handed Warnings:

«Do not waste your time developing differences and struggle between Nasser and me. It would never happen, as you heard me when I said that I am responsible for all Nasser-'s actions.» 64

The claim to share responsibility for Nasser's era was a clever tactic applied by Sadat to suppress Nasserism and to prevent his opponents from carrying its banners.

Nasser was part of the July Revolution and not a distinctive ideology and Sadat was the continuity of that Revolution and the sole interpreter of the legacy;

«In order to be frank and cite facts, let me state that there is nothing called Nasserism... It is the policy of the July 23rd Revolution.» 65

When the debate over the Manaber took place in 1976, the Nasserites strove to form their own forum. Ironically Mahmoud Abu Wafia, Sadat's brother-in-law and a landlord whose property was confiscated during Nasser's time, and who in 1975 introduced a legislation to return land seized by the 1952 agrarian reform law to its original owners, announced that he would form the Nasserite forum. The announcement triggered a debate in the People's Assembly between Khalid Mohieddeen and Sadat over who would claim Nasserism. In his fashion, Sadat asked Khalid to leave the man's (Nasser's) 'soul in peace', insinuating that everyone - but Sadat - was exploiting the legacy and again appointed himself the sole custodian of Nasserism;

«Please have mercy on the man (Nasser) so that God may have mercy on you...because all those who call themselves Nasserites were first to discredit him. All those who claim to be the only ones who know his teachings have done him a great injustice. When anyone comes and asks about something in Nasser's lifetime I always say that I was responsible for it with him.» 66

One of Sadat's effective weapons against Nasserism and the left in general, which would backfire in a later stage, was Moslem fundamentalism. By unleashing this lethal force, he sought to balance his enemies and theirs, thus allowing himself the luxury of political manoeuver. His declaration that the state was to be rebuilt on 'Faith' and 'science', had its significance;

«He extolled Islamic dogmas, fearing the corrosive effects of secular doctrines on his regime. By conviction and by calculation, Sadat relied on the Moslem Brotherhood from the moment of his succession to the presidency at the end of 1970.» 67

The accommodation with the Moslem Brotherhood started as early as the summer of 1971 when King Faisal of Saudi Arabia «arranged for some prominent members of the Brotherhood to be given a safe conduct for their return to Egypt so that they could have discussions with Sadat.» 68 In the course of discussion, «Sadat argued that he and they were confronted by the same enemies, atheism and

communism, not to mention surviving Nasserite ideas.» ⁶⁹
Consequently, he allowed a number of the Moslem Brotherhood's publications to reappear and he would hence be called the 'pious president'. The process of reviving Moslem fundamentalism continued throughout Sadat's time and he secretly allowed weapons to reach the hands of young Moslem militants to combat the Nasserites and the left especially within universities. ⁷⁰ Paradoxically, Sadat was assassinated in 1981 by the same weapons he placed in the hands of his 'allies' to fight his 'enemies'. Mousa Sabri, Sadat's confidant, quoted a high ranking official as saying:

«The most fatal mistake of Sadat - and to which his notorious Minister of Interior Nabawi Ismail never objected - was that he allowed and appeased the activities of the Islamic societies to resist communism.» 71

Ideology as a Determinant of Foreign Policy:

We have briefly discussed how ideology was a major input as well as an output in Nasser's foreign policy and how exposure to external currents and events played a role in his transformation from a pragmatic military man to a sort of revolutionary. The same argument could largely apply to Sadat. External inputs should have tipped

the balance in his journey from a nationalist activist to a fully fledged conservative.

Because the Soviets largely approved Nasser's non-capitalist mode of production, they found no urge to bind him by contractual agreements. They took pains in assisting him militarily, although they were risking a major confrontation with the U.S. In Sadat's case, they feared the possibility of deviation and thus hastened to commit him in a treaty which significantly emphasized the acceleration of Egypt's socialist transformation. 72 However, the treaty did not change the apprehensive Soviet attitude nor the Soviet arms policy towards him; on the contrary, it became a manifestation of Egypt's dependence. The Soviet attitude could have been intended to prevent Sadat's deviation but instead it deepened his disenchantment with the Soviet system and augmented his fears that they might try to undermine his position.

In conducting foreign policy, ideological preferences facilitated and shortened the process of vital decisions.

Because of his socialist tendencies, Nasser accepted, and in some instances encouraged, the Soviet presence in Egypt especially after 1967, despite his long-standing policy against foreign domination. But Sadat the liberal

remained sceptical of Soviet influence and initiated actions to antagonize the Soviets, such as the expulsion of their advisors in 1972, despite the desperate need for Soviet arms.

In the post October War period, ideology would become rather conspicuous as a determinant of Egypt's foreign Again, external inputs played a major role in policy. formulating Sadat's perception. While the Soviets remained sceptical towards him, the West finally recognized his leadership. Kissinger, who in the past ignored Sadat's signals and gestures, hurried to his door, and President Nixon was to solicit his good offices to lift the oil However, in the wake of the war, Sadat was embargo. apparently concerned with Egypt's territorial-security problem, which the U.S. actively helped to ease in a relatively short time. Parallel to this problem was the economic one and in this respect world capitalism spared no promises to help Egypt, as did Nixon during his visit to Egypt in June 1974. These developments, beside generous cash grants from conservative Arab regimes, should have enhanced Sadat's conviction that Egypt's interests could be better served through liberalism.

The Soviets for their part, helped cement this

conviction by pressuring him, as early as December 1973, for payment of Egypt's Soviet debts, and when Infitah was declared they lost no time in attacking it. On July 25, 1974, the editor of Izvestia wrote:

«Some people in Egypt want to prepare the ground for the broad penetration of Western Capital into the country and the simultaneous 'liberation' of Egypt from Soviet 'economic dependence'. Under the same flag, steps are being taken to strengthen economic ties with Western countries, a subject that Egyptian journalists are writing a great deal about. But the most sober-minded people: in Cairo are asking: What will . too close ties between the Egyptian economy and Western circles really give the Egyptian people?»73

In February 1976, Brezhnev in his address to the 25th Congress of the CPSU, bluntly pointed to internal reactionary forces undermining Egypt's socialist drive, in a clear reference to Sadat's deviation.

The impact of the ideological preference on the process of decision-making is rather evident in Egypt's post-war diplomacy. Because of Sadat's affinity for western type socioeconomic systems, he moved with relative ease and in quick paces in his rapprochement with the U.S. In moving towards a political settlement

of the conflict with Israel through the mediation of the U.S., he offered concessions irrespective of objections from his aides. In a very short time, enmity towards the U.S. turned into warm friendship and, as early as April 1974, he accepted a suggestion from Kissinger to start a program of military cooperation between Egypt and the U.S. 74

On the other hand, because of his ideological inclinations, he continued to perceive all Soviet actions with apprehension and in time undermined efforts by Foreign Minister Fahmy to improve relations with Moscow. The abrogation of the Soviet-Egyptian Treaty in March 1976 was carried out despite arguments that Egypt's interests could be better served by keeping its options open vis-a-vis the Superpowers. The Soviets' indirect action which triggered the abrogation of the Treaty, i.e. India's refusal to overhaul Egypt's jetfighter engines, was less frustrating than other Soviet actions. Meanwhile, when the U.S. provided Israel with the Pershing missile which has nuclear delivery capabilities, Sadat's reaction was only of worry and objection.

Another decision of importance was made in April 1974, i.e. to diversify arms sources outside the Soviet bloc.

Whether this decision was made independently or in the light of Kissinger's suggestion of American-Egyptian military cooperation, it was announced while Egypt was in a state of war and despite resentment from the Armed Forces.

The same perspective had its effect on Sadat's perception of the policy of non-alignment. He feared that a balanced relationship with both Superpowers would not serve Egypt's interests, for as long as the Soviet Union maintained friends and influence in Egypt it would be able at one time or another to undermine his policies. Besides, this policy in the age of detente would neither persuade the U.S.Ş.R. to be more forthcoming in assisting Egypt nor would it convince the U.S. to intensify its efforts to solve Egypt's problems. With detente, the Superpowers do not need the allegiance of the weak and would not accept from him less than full identification. When in the summer of 1981 some of the parliamentary group of his own National Party asked if a move towards non-alignment could be made to check increased American involvement, Sadat said:

«'There is nobody in Yugoslavia
I can talk to on equal terms
since Tito died', and of Indira
Gandhi, 'She's completely under

the thumb of the Russians!». 76

Sadat extensively used ideology as an instrument for foreign policy and as a means to win the minds of his new allies in the West. He knew that such alliances were not built on friendly relationships or good faith but rather on ideological identification in the first But Sadat's 'liberalism' had two different methods of application; one, political - mainly to attract the West, and the other to reshape the country's socioeconomic system. In the political sphere he was ready to give a democratic facade with all the symbols which appeal to Western values, such as a permanent constitution and a pluralist system with some very limited venues for the opposition. But in practice he was a totalitarian. ruler, a ruthless opponent, a fascist who admired Hitler, and above all a pharaoh. His arsenal of 'bad reputation laws' are enough of an indicator of the repressive nature of his regime. Heikal argues that Sadat took pains in adopting this version of democracy, «Either because he was anxious to emphasize the democratic facade for the benefit of foreign opinion, or because he realized that the multiplicity of forces in the country, need some outlet if there was not to be an explosion...» 77

Nevertheless, political participation was regulated by the values of the Egyptian village, where «we recognize and shun whatever is genuinely disgraceful» and hence criticism would become a sort of 'shame', if one crossed the boundaries. Criticism of the President in a country where crucial decisions were taken solely by him was intolerable, since he was the head of the family and the supreme arbiter:

«The head of State should only have at heart the supreme interests of the people and of the country, then he has his role as head of the entire family. He is the true arbiter between the authorities and the institutions.»

Sadat cleverly resolved the contradiction between the fact that Egypt, according to its constitution, is a socialist state, and the drive for more liberalization. Neither his new patrons nor his domestic allies were happy with what remained, even in name, of the previous socialist order. To avoid this contradiction, he found a haven in the Western models of democratic socialism where economy stood on 'two legs'; the private and public sectors,

«I am very interested in that kind of socialism which my friend Bruno Kreisky follows in Austria.»80 Democratic socialism as propagated by Sadat was not armament, sequestration, confiscation and arrests; 81

«Our socialism is one of ownership and not disposition.» 82

The richer the individual became, the more the society prospered:

"It is wrong to stand in the way of individual enterprise and say, stop, this is against socialism...No, the slogans have served to spread the rancour prevailing in the country and the total absence of the spirit of love and family feeling that have ever been characteristic of Egypt.»83

In the economic field the case was different.

Changes were not only made to gain the approval of the

West and to pave the road for foreign investment to help

Egypt, but they were mainly introduced to alter the

socioeconomic map of Egypt. These changes had actually

started, as we argued, in the early days of Sadat's

reign and long before the rapprochement with the U.S.

and the West became factual. Sadat's commitment to Infitah

was evident as he persisted and expanded this policy even

after it led to several economic crises. Social agitation

especially the food riots of 1977 did not deter him from

deepening the process of Infitah.

The interaction between foreign policy activities and economic policies is much clearer in Sadat's case. His peaceful inclinations and even concessions in resolving the armed conflict with Israel were partly used to convince the U.S. that Egypt had abandoned radical socialist policies such as armament, and thus make it more attractive to U.S. aid and foreign investment. On the other hand, external inputs had helped reinforce Sadat's concept that the improvement of the economy could only occur if Egypt were to deviate from socialism and reintegrate in the world's capitalist system. The pace of reintegration was phenomenal and in a short time Egypt became one of the most indebted Third World countries. Since 1974 the IMP and the World Bank came to exert immense influence on Egypt's economic policies. Sadat's early tilt towards the Saudis and the Shah of Iran was not without economic expectations and in turn the massive economic assistance Egypt had received from these two was in recognition of its commitment to Infitah.

On the other hand, the economic argument was used as an instrument to bring the rupture with the Soviet Union to a climax. The call to reschedule Egypt's Soviet debts which continued for more than two years was a designed

campaign, as we discussed previously, to eliminate Soviet influence by depicting Moscow as noncooperative. Strangely, this campaign was considerably muted after the abrogation of the Soviet-Egyptian Treaty in 1976. The consequences of the strained relations with Moscow on the Egyptian economy were substantial as it was deprived of a market for less sophisticated, if not inferior, Egyptian products. Moreover, several Egyptian industries were nearly crippled by the lack of Soviet spare parts and expertise.

To substantiate the argument that changes in the political system were mainly a ploy to attract the West to support Egypt's tangible interests, and that changes in the eocnomic system were largely a firm commitment; in 1974 and 1975 Sadat had asked the People's Assembly to amend taxation laws as a means of social justice to absorb social discontent, but the Assembly's reaction was negative, yet Sadat did not resort to his absolute powers or to one of his electric shocks. But when in 1979 a handful of deputies objected to the Peace Treaty with Israel, he dissolved the Assembly in a flagrant defiance of the constitution.

Sadat's Infitah had similar characteristics with a

familiar pattern dominant in some Third World countries.

A pattern of a military dictatorship allied with the bourgeoisie and the most reactionary elements of the society. These types of regimes have a fundamental task of reintegrating a deviated country into the world's capitalist order. They have democratic appearances, with legislative councils and elected deputies, but these represent only the interests of the capitalist sectors. In most cases these regimes enjoy the backing of the capitalist centers which do not push or debate human rights violated by these regimes. Sadat would reem less fond of grand theories of social transformation, but his policies and deeds would nicely fit this pattern.

Ideology was used to gain Western acceptance by projecting Sadat's image as a deeply committed liberal leader whose convictions were irreversible. He became the 'pious president', in a clear insinuation of his deep enmity towards communism in particular and the left in general. The American model and values became his inspiration and fantasy; he showed his admiration of the American dream and the American people who in only two hundred years turned their land into the richest country in the world:

«No one can believe that this has turned in two hundred years to be the most powerful, richest country in the world.»86

Thus he asked his people to make a similar start:

«Go west, young man. And fight
like fighters. Like Americans.»87

The West, for its part, was ready to bestow on Sadat what the Soviets denied him but had generously offered to his predecessor, acceptance and recognition:

«I.Was in the U.S. recently and you saw how we were welcomed in a joint meeting of the U.S. Congress, how we were received by the American people, and how we were considered by Europeans as their equals.» 88

Conclusion:

Sadat's apparent sudden tilt towards the West after 1973 should not be a source of surprise. It is a true reflection of the mentality and ideology of the Egyptian middle class. Egypt's identification with the West has been the dream and agony of its rulers and intellectuals since the reign of Mohammed Ali. Paris has been their intellectual inspiration and London was the source of political challenge. The Egyptian middle class abhorred the policies of the West and fought its colonial designs but at the same time they admired its values and adopted

its culture and way of life. They looked to the Western image with fear but also with latent admiration and yearned to emulate it. Sadat is a conspicuous example; he complained to an American journalist in the early fifties that the West hated the Arabs, «because they think we are Negroes.» He spoke of those same fears in 1980 to another American journalist:

«(Secretary) Dulles and President Johnson had really mistreated us... They greatly despised us because we refused to become a U.S. lackey.»90

The West, for its part, rarely understands the

Egyptian middle class schizophrenic personality of love
and hate, of admiration and fear, and tends to frustrate
it. While this class perceives Europeans as equals, the

West looks upon them as inferior. It colonized their
land under pretexts of trusteeship and protection as if
they were too immature to govern themselves, while this
middle class considered its civilization as the source
of world enlightenment. Lately, the West came to its
senses and the mistakes of Dulles and Johnson were avoided.
For Kissinger, Sadat became "the greatest since Bismarck" "
who "had the wisdom and courage of the statesman and
occasionally the insight of a prophet." "
For Carter,

Sadat was «a man who would change history and whom I would come to admire more than any other leader.» 93

The Western media worked miracles to discover and create the man who would become their staunch ally and faithful friend. He in turn, would use the same media to invade minds and hearts in distant places:

«Men and women in them would read into him what they wished Not really knowing him, they turned him into a great myth. He, in turn, seeing himself in their acclaim, would become what he had never dreamed of becoming.» 94

The fact that Sadat, for the first three years of his reign, kept a low-key ideological profile and even took pains to appease the Soviet Union is self explanatory. He might provoke his ally by actions with serious implications such as the expulsion of Soviet advisors but he would not push his relations with Moscow to the breaking point, for it was his sole source of armament and support.

One could argue that the lesson learned slowly by
the West, that the leader in Egypt, as is the case in
most Third World countries, has the most decisive role in
determining the foreign course of his country, was already
learned by the Soviet Union. The Soviet-Egyptian Treaty,
the first of its kind outside of the Soviet bloc, was but

a tool to curb Sadat's tendencies to deviate and when his course became clear after the October War, the Soviet Union cut its losses in a polity of waning socialism. The West, led by the U.S., happily picked up the new candidate and nourished his inclinations; and Egypt, in 1974, was the first Arab country to receive an American President since World War II. Between 1974 and 1978, Sadat received in Cairo 350 members of the U.S. Congress on different occasions. 95 Egypt suddenly became the lost paradise of American celebrities such as Elizabeth Taylor and Frank Sinatra.

Sadat's list of 'friends' did not include men of his own world like the Sheik of Kuwait or the King of Saudi Arabia; they were dwarfs, as he came to call them. His list of friends were either royal or men of prominence in the West;

«Sadat had many new friends besides the Shah of Iran and Ezer Weizman. There was 'my friend Giscard', 'my friend Schmidt', 'my friends Nixon, Ford, Carter', 'my friend Onassis'». 96

The above discussion leads to the assumption that ideology was a major determinant of Sadat's foreign policy as it had facilitated and intensified the choice between allies who could effectively assist in resolving

Egypt's major problems in the territorial-security and economic spheres. In other words, Sadat's shift of alliances was primarily motivated by these two pressing problems but had it not been for his ideological inclinations the shift could have become a relatively long process with transitional periods to weigh the benefits and to test the willingness of the new patron In fact, Sadat had pledged his allegiance to help Egypt. to the American alliance long before he was granted admission to it. As an example, he started breaking with Moscow in the area of armament as early as April 1974, while the first American arms sale to Egypt was approved in 1976 after the abrogation of the Soviet-Egyptian Treaty. The same pattern was evident in the economic field. it was certain that Sadat's campaign against Moscow would result in the decrease of Soviet economic assistance to Egypt, he had not simultaneiously secured an alternative résource committed to a long-term program of economic assistance. Thus, while the shift was perceived as the means to solve Egypt's chronic problems, ideology intensified the process and justified to the decisionmaker its short comings.

Sadat was not operating in a vacuum; he was actually

the representative of the powerful bourgeois stratum which perceived Egypt's national interests, or most correctly their sub-national interests, in rejoining the Western alliance and reintegrating the country into the world's capitalist system. It was Sadat who would give this powerful trend the legitimate appearance and push its goals to success.

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CONCLUSION

Shifting alliances from one Superpower to the other has become a feature of Third World politics in the last two decades. The shift is supposedly carried out to meet the highly pressing needs of a client when a patron fails to satisfy them. In Egypt's case, the shift from exclusive dependence on the Soviet Union to close cooperation with the U.S. was a major deviation from the country's long-standing policy of nonalignment and its image as a progressive force in the Third World. importance of this shift is that its ramifications are not only confined to the Egyptian polity but extend to the Arab World as well. Our major point of discussion is that Egypt's dependence on the Soviet Union was not part of the principles of the Soviet-Egyptian alliance which started in the mid fifties but was rather a development necessitated by Egypt's defeat in 1967 and the growing need for Soviet arms as well as the subsequent polarization of the Middle East situation between the Superpowers. In other words, Egypt in the wake of the defeat had but limited alternatives to resolve its national needs; either to capitulate to the enemy's dictate or to start

an armed struggle to liberate its occupied territories and thus deepen its reliance on the Soviet Union. Egypt's situation was radically changed in 1973 as a result of the October War and the country came to possess several alternatives in its policy towards the Superpowers. On the one hand, Egypt's heavy dependence on Soviet arms' was starting to ease and an opportunity existed to balance the imbalanced relationship with the Soviet Union. the other hand, the Egyptian-American relationship was quickly revived after six years of coolness and near enmity and American diplomacy in the Middle East was immediately reactivated. The new givens of the post-war situation could easily have enabled Egypt to retain its independence and thus pursue a balanced relationship with both Superpowers. Instead, President Sadat chose to exchange a state of dependence forced on Egypt by the need for Soviet arms for another state of dependence which he incurred in what seemed a voluntary manner.

The task of this thesis is to explain why President Sadat moved Egypt from one state of dependence to another, to discuss in turn the different arguments, and to assess their validity. For this purpose, we have introduced four major explanations of Sadat's foreign policy towards

the Superpowers between 1970 and 1976.

The first explanation assumes that Sadat's shift of alliance was largely a reaction to Soviet heavy-handed behavior rather than a move initiated by Sadat in the light of Egypt's needs and objectives. In fact, he succeeded in mounting a campaign and building a case against the Soviet Union to the extent of obscuring any objective evaluation of the Soviet-Egyptian alliance. He accused the Soviet Union of unfriendliness, of collusion with the U.S. against Egypt's national interests and, most importantly, of hindering Egypt's efforts to liberate its occupied territories. Our findings indicate that there was a degree of 'coolness' in Soviet behaviour towards Sadat but it was largely motivated by several. calculations, the least of them being Sadat himself. Moreover, a great deal of Soviet coolness was largely in reaction to Sadat's own political actions either internally or externally, which the Soviet Union perceived as inimical to its vital interests. Even if we take Sadat's accusations at face value, the Soviet coolness did not result in a substantial decréase in Soviet political, military and economic support for Egypt. On the contrary, the Soviet Union, in supporting Egypt,

went as far as risking a general war with the U.S.

However, in a patron-client relationship one should

not expect parity of status; there is always a leader

and a dependent. Even in strongly based alliances such

as NATO and the Warsaw Pact, differences could erupt

between partners.

The Soviet-Egyptian alliance had lasted for nearly ' two decades and there is no evidence that it was always a smooth relationship. It had experienced limitations and constraints even during Nasser's time and despite his personal weight. The alliance became highly strained after Egypt's defeat in 1967 and its ever growing need for armaments. Soviet arms policy towards Egypt was torn between two divergent objectives; to help an embattled ally but to do so in a manner short of provoking a major confrontation with the U.S. This policy was not confined to Sadat but had also been an important part of Moscow's dealings with Nasser. While Nasser, however, managed to overcome Soviet reluctance in this respect by forging. a commonality of interests with the Soviet Union, Sadat time and again antagonized and humiliated his ally; the expulsion of the Soviet advisors from Egypt in 1972 is but one example.

Sadat's accusations that the Soviet Union was hindering Egypt's efforts to liberate its national soil could be challenged by the fact that it was Soviet arms which enabled Egypt to launch the October War. Moreover, any discussion of Sadat's war diplomacy reveals how he had downgraded the Soviet Union to a mere arms supplier and refused to take the Soviets into his counsel while he directed his diplomatic thrust towards the U.S. Even if we accept the notion of Soviet coolness before the war, in the post-war era Sadat had ample opportunity to address the imbalanced relationship with Moscow. But while he easily disregarded previous U.S. intransigence towards Egypt and welcomed Kissinger and Nixon to Cairo, he turned his back on the Soviets and embarked on a heated campaign to undermine the Soviet-Egyptian relationship. Thus, in assessing the reactive explanation; we may conclude that Soviet behaviour towards Sadat was not a compelling reason to bring about a radical change in Egypt's foreign policy. to be further calculations in Sadat's mind which induced the shift and intensified its process.

The second explanation pertains to Egypt's territorialsecurity problem and assumes that Sadat initiated the shift in foreign policy to solve this problem, which was

his major preoccupation and concern, especially before The burden of the Israeli occupation of Sinai was intolerable in terms of internal and external security, social stability, and economy, in addition to a deep sense of humiliation and degradation of status. The enemy's proximity to Egypt's heartland and its constant raids with relative impunity on economic targets and civilian centers highlighted gypt's vulnerability. occupation had deprived the country of substantial economic resources, the remains of which were then depleted by the awesome military expenditure. The regime suffered a decrease of credibility and its very existence was There were limits to the endurance of the threatened. masses for economic hardship and national humiliation, and popular unrest frequently erupted, threatening social. stability. The social fabric was only held together by Nasser's charisma and his previous credits but it was only a matter of time before disintegration would occur.

President Sadat came to power amid this national calamity but, unlike his predecessor, he was not in command of street politics nor in control of his colleagues in power; and to the external world he was an énigma and without international stature. Under

Nasser, Sadat had witnessed the futile diplomacy to reach a settlement with Israel and shared the frustration caused by the Soviet arms policy towards Egypt.

In reassessing the situation, Sadat came to the conclusion that Egypt, assisted by the Soviet Union, was in no position, either then or in the future, to defeat Israel militarily and liberate the occupied territories. Israel's military supremacy was firmly established and constantly increasing by generous American assistance, while the Soviet Union was reluctant and even unwilling to match the situation. He perceived . that a vicious circle of no-war no-peace would continue as long as the Middle East, remained polarized between From this perspective the military the Superpowers. option seemed of limited use and could be counter productive. The maximum achievement of this option would result - as it did in 1973 - in unfreezing the diplomatic stalemate; yet success was not guaranteed unless a comprehensive diplomatic strategy accompanied military What was mostly needed was a radical change activities. in Egypt's attitudes towards the Superpowers. To influence Israel's decisions one had to address himself to its backer and protector. It was the U.S. and not the

Soviet Union which possessed most of the leverage on Israel; as President Sadat would put it later, the U.S. held 99% of the cards in any resolution of the Middle East conflict. Thus, a constructive and intensive dialogue with the U.S. was deemed crucial. The major issue which could impede the dialogue with Washington. was Egypt's heavy, dependence on the Soviet Union. Because of this state of dependency, Sadat's moves to induce the U.S. to assume an active role were received negatively. His initiative of February 1971, to reach an interim agreement, was ultimately rejected and when he expelled the Soviet advisors in 1972, Washington showed little or no interest. Consequently, if Egypt were to opt for a political settlement mediated by the . U.S., it had to substantially reduce its dependence on the Soviet Union.

The October War of 1973 made Sadat's approach rather feasible and gave it the needed mechanism. His conviction of the preeminence of the U.S. was further enhanced by its fast and effective efforts in defusing the war crisis. Moreover, the subsequent diplomacy led by the Secretary of State had brought Egypt back more of the land than that which had been gained by war after

years of preparations and economic attrition. On the other hand, he perceived the Soviet position during the war as undermining his military victory and as reluctant to match the U.S.'s escalation of arms and technology on the Israeli side. In the ensuing years after 1973, Sadat was to deepen his rapprochement with the U.S. and weaken his Soviet connection. He feared that adopting a balanced relationship between the Superpowers would not give the U.S. the needed incentive and would thus hinder the ongoing process to reach a settlement with Israel. Moreover, if Soviet influence remained in Egypt, even on a limited scale, it could sabotage his policies through the Soviets' friends in the country. After all, he wanted to resolve Egypt's territorial-security problem so he could attend to other pressing ones, especially economy.

However, one should refer to certain flaws in Sadat's approach which would affect Egypt's national interests in the future. The claim that the U.S. would not lend its weight to resolve the Middle East conflict as long as Egypt maintained a close relationship with the Soviet Union was clearly discarded by the consequences of the October War. The U.S. hastened to mediate between

the warring parties not because Egypt had signaled an imminent shift in alliances but because of the dire ... consequences of the crisis on world peace and U.S. interests in the Middle East. The ending of the oil embargo which accompanied the war was one motivation for the American active role. Sadat could have manipulated the 'new' American attitude to bring about a settlement while at the same time reducing his dependence on Soviet arms without losing the Soviet connection as a fall back Uncertainty regarding Egypt's intentions in a volatile situation could have yielded positive results. In other words, the October war had expanded Egypt's alternatives and given it a sizeable space of manoeuverability. What gives credibility to this argument is the fact that Egypt was able to reach the two disengagement agreements in Sinai mediated by the U.S. while it was formally in alliance with the Soviet Union. After the breakdown of this alliance, U.S. mediation ceased to function for two years before it was revived by Sadat's visit to There was no doubt that President Sadat was aware of the new given's of the situation and the increasing options available to his country. despite the salience of the territorial-security

problem, it was only a part, although major, of Egypt's dilemma. Sadat needed the American alliance to help him in resolving other problems, especially the economy. This leads us to the conclusion that the territorial-security problem could justify a partial shift in Egypt's foreign course but not a complete one.

The third explanation proposed by this thesis is that Egypt's shift of alliances was partly initiated to meet its growing economic needs, which the alliance with the Soviet Union failed to satisfy. With extremely limited resources and a population explosion, the country had to look beyond its borders for economic assistance and aid; hence a strong correlation was developed, since the mid-fifties, between foreign policy activities and economic needs. For example, Nasser tried to emphasize Egypt's role in Third World politics as a means to impress the foreign powers and attract their economic aid. Domestic politics revolve almost entirely around economic conditions and thus no ruler could afford to avoid economic issues. Stability and instability mostly hinge on the performance of the government in the field of the economy and its ability to provide and subsidize basic food commodifies.

The defeat of 1967 highlighted Egypt's economic dilemma as the country was deprived of some substantial resources; further military activities resulted in serious economic dislocations, not to mention the awesome military expenditure. In 1968, Nasser's regime faced the most serious challenge to its predominance as popular unrest erupted, apparently in protest against the conduct of the military in the 1967 war; but in fact this protest was against economic deterioration and a bleak future. To reduce the danger, Nasser diverted scarce resources allocated for economic development to satisfy popular necessities and thus deepened the dilemma.

In late 1970, President Sadat was to confront this bleak economic picture. Time and again he would remind us how he inherited a bankrupt country with a below-zero economy and how he was frightened by the prospects for the future. There was no doubt that the economic problem was as serious as the territorial-security one, though the latter took precedence over all areas of concern.

Sadat was able to justify economic hardships by military preparedness. However, social agitation reached alarming heights, especially during 1972 and 1973, and he knew

'that there were limits to endurance and tolerance. Thus when the 'battle' was launched, Sadat was immediately called upon to address himself to the masses' economic expectations. The cost of failure would be fatal, while success would enhance legitimacy.

Popular expectations were part of Sadat's calculations; the other part was the aspirations of his internal allies, the bourgeoisie who backed him in his power struggle in 1971 and were demanding their reward. They were calling for economic liberalization and to allow Egypt, or actually themselves, to reap the fruits of foreign investment and technology. In the wake of the October War, a short lived debate started between defenders of socialism and advocates of an apen economy. The bourgeoisie easily pinpointed the shortcomings of socialism ranging from sharp economic congestion to the defeat of 1967.

President Sadat, for his part, was not interested in economic theories; his major concern was to find a solution to the economic situation and thus bolster his newly acquired legitimacy by the act of war; but undoubtedly he was influenced by the argument of his domestic allies. Moreover, he was firmly convinced that a return to a self reliant economy was inconceivable

since the country was almost depleted by more than six years of military preparedness. Egypt, in his own words, was in need of a 'blood transfusion' or another 'Marshall Plan' to rescue the economy. Soviet economic assistance had reached a point of maximization and its pattern did not include what Egypt needed most, namely external funds and credits. On the other hand, there were signals and indications that economic recovery could be within reach if Egypt were to abandon radical 'foreign policies and cultivate new friends and allies. Generous financial grants were received from oil-rich Arab states and an impressive amount of credit from Iran. The West in general spared no promises of economic cooperation and technological transfer, as President Nixon did in his visit to Egypt in June 1974. To refuse to 'capitalize on these opportunities was a crime against Egypt and its future, as President Sadat stated in the October Working Paper of April 1974.

Infitah, or the open-door economic policy, as envisaged by Sadat would necessitate close cooperation with the West in general and the U.S. in particular. There was no doubt in his mind that the vast American resources and Arab wealth, if correctly manipulated,

could breathe life into the ailing Exptian economy to the extent that he promised economic prosperity by the year 1980. To pave the road for the prospect of economic recovery, he was ready to amend the existing economic order and to decrease his economic dependence on the Soviet Union. Moscow for its part was loath to increase investments in a polity of waning socialism and thus gave Sadat and the bourgeoisie further incentives to undertake the shift in foreign policy.

Apart from Sadat's ideological inclinations, the economy was a rather compelling factor in his shift of alliances. Time pressure generated by domestic politics accelerated and deepened the drive for economic liberalization and cooperation with the U.S.. Sadat, in anticipation of economic gains, gradually consented to the American design for a Middle East largely dominated by the U.S. It remains to be seen whether Egypt benefited from Infitah and exchanging economic dependency on the Soviet Union for a similar pattern vis a vis the U.S.

The territorial-security problem and the economic one were the major determinants of Sadat's foreign policy towards the Superpowers and they accounted largely for his moves in that sphere. But reviewing them from a

hypothetical perspective, even with the assumption that they necessitated the radical change in Egypt's foreign course, one might expect that such a shift would have been subjected to a longer process and scrutiny. might have also taken a different pattern of a balanced relationship between the Superpowers, at least for a transitional period to keep options and alternatives What happened was merely a jump over the fence; even when in a later stage serious flaws appeared in that approach, President Sadat did not try to amend it. What tipped the balance in the choice between allies and intensified the shift as well as accelerated its process were his ideological inclinations and the affinity he, developed for Western-type socio-economic systems. That does not mean that Sadat was a committed liberal or one who harboured a grand theory of social transformation. His deeds and practices would define him as a fascist and a dictator despite his claims to the contrary. His commitment was to change Egyptian society and leave his imprint as the last of the Pharaohs. He perceived that his country would be better off if it became an open society based on the individual's initiative where the rich would voluntarily help the

These values were largely distorted by Nasser's socialism based on class struggle which generated hate instead of love. He envisaged an open economy where foreign investments and loans would flow, and indeed they did, to alleviate the lot of his countrymen. Economic theories and definitions were less problematic as long as Egypt would rapidly develop after years of economic stagnation and difficulties resulting from socialism.

In fact, Sadat's ideological orientation was clearly demonstrated from his early days in power and long before the shift in the foreign course materialized. Had it not been for American and Israeli intransigence, the shift could have started earlier. He was the representative par excellence of a strong current triggered by the 1967 defeat which had gathered momentum after Nasser's death and cast doubts on the validity of his revolutionary course. Sadat became more committed to this current, as it became his power base and his strong ally in his power struggle against the Nasserites. Intangitate motivations for social change were important as well. In his search for legitimacy, Sadat enticed his fellow-citizens to compare the ordeals of the past with the

achievements of the present. There seemed to be a personal vendetta between himself and Nasser who was still dominating the stage from the grave' and obscuring the man who was destined to restore and revive the country. The myth should be obliterated by realities, and the act of the war gave Sadat the long awaited mandate.

With the mandate in hand, Sadat's liberal inclinations were no longer taboo and he could now begin the construction of his own Egypt. The October War in a sense opened vast frontiers and a wide spectrum. Egypt, which had been a pariah, suddenly became a celebrity of Western diplomacy, and the Arab World, which had long despised Egypt for its impotence in challenging Israel, was knocking on its door with recognition. Sadat seized the opportunity and, in a dramatic analogy to the crossing of the Suez Canal, announced the 'second crossing' from poverty to prosperity and from backwardness to the threshold of the 21st century. His drive was marked by impatience to reap the fruits of the October War and to distribute the spoils among those who waited eagerly; and Infitah came just a few months after the war. Initially, Sadat was proven correct as financial grants, loans, promises

of investment and cooperation made economic recovery seemingly within reach. Consequently the choice between allies was firmly decided in favour of those who could help his dreams come true and in the process he found no difficulty in forcing facts and realities to suit his perception and purposes. Basics of national security and national identity were dramatically altered. adversary of yesterday and the backer of his enemy suddenly became his staunch ally and friend, while yesterday's ally suddenly became the source of evil and danger. The threat of Israel's expansion became rather benign in comparison to the fears emanating from Soviet intrusion. Nonalignment became a concept void of substance and a forum dominated by Soviet influence. Socialism in Egypt could retain its labels and slogans, but it would . be fundamentally modified along the model of his 'friend' Kreisky of Austria with a democratic facade.

The impact of ideology on Sadat's foreign policy should be evaluated as a catalyst which intensified, justified, and accelerated a choice based on tangible calculations.

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