ПОЛІТИЧНІ ПРОБЛЕМИ МІЖНАРОДНИХ ВІДНОСИН

УДК 327:354-057.341](620)

EGYPT'S FOREIGN POLICY UNDER ABDEL FATTAH EL-SISI

ЗОВНІШНЯ ПОЛІТИКА ЄГИПТУ В ПЕРІОД ПРАВЛІННЯ АБДЕЛЬ ФАТТАХА AC-CICI

ВНЕШНЯЯ ПОЛИТИКА ЕГИПТА В ПЕРИОД ПРАВЛЕНИЯ АБДЕЛЬ ФАТТАХА АС-СИСИ

Ignatiev P. M.

Doctor of Political Science, Professor of Country Studies Department, Institute of International Relations, Taras Shevchenko National University of Kyiv. E-mail: pavloi@yahoo.com

Bovsunivskyi P. V.

PhD in Political Science, Associate Professor of Country Studies Department, Institute of International Relations, Taras Shevchenko National University of Kyiv. E-mail: sommax@ukr.net

Ігнатьєв П. М.

Доктор політичних наук, професор кафедри країнознавства Інституту міжнародних відносин Київського національного університету імені Тараса Шевченка. E-mail: pavloi@yahoo.com

Бовсунівський П. В.

Кандидат політичних наук, доцент кафедри країнознавства Інституту міжнародних відносин Київського національного університету імені Тараса Шевченка. E-mail: sommax@ukr.net

Игнатьев П. Н.

Кандидат политических наук, доцент кафедры страноведения Института международных отношений Киевского национального университета имени Тараса Шевченко. E-mail: sommax@ukr.net

Бовсуновский П. В.

Кандидат политических наук, доцент кафедры страноведения Института международных отношений Киевского национального университета имени Тараса Шевченко. E-mail: sommax@ukr.net

Abstract. The article covers revolutionary changes in Egyptian foreign policy after the rise to power of Abdel Fattah el-Sisi. The authors note that the new President introduced a multidimensional policy, taking steps away from traditional dependence on the United States of America. To this end Egypt diversified suppliers for armed forces with the assistance of France and the Russian Federation, simultaneously expanding economic ties with China and the EU countries. The focus on the GCC monarchies that provide significant financial assistance to the regime also remains the important component of the Egyptian foreign policy. The article states that the aggravation of water shortages forces Egypt to conduct more active relations with African states, primarily with the Nile basin countries, but those attempts are "too little, too late". The authors conclude that after exhausting all diplomatic means, Egypt can apply military force to protect its own water security against Ethiopia, but such policy will lead to direct clash with the United States of America and deterioration of Egyptian influence in Africa.

Key words: Egypt, multipolar foreign policy, "Sisi doctrine", GCC, USA, China, the Russian Federation, France, water security.

Анотація. Стаття присвячена революційним змінам у зовнішній політиці Арабської Республіки Єгипет після приходу до влади Абделя Фаттаха Ас-Сісі. Автори зазначають, що новий президент почав проводити багатовекторну політику, відмовившись від цілковитої орієнтації на США. Задля цього Єгипет диверсифікував постачальників техніки для збройних сил за рахунок Франції та Російської Федерації, водночас поглибивши економічні зв'язки з Китаєм та державами ЄС. Традиційно у центрі уваги єгипетської зовнішньої політики перебувають монархії Перської затоки, що надають суттєву фінансову допомогу режиму. У статті зазначається, що загострення водного дефіциту змушує Єгипет проводити більш активну політику як щодо країн Африки загалом, так і по відношенню до державних акторів басейну річки Ніл зокрема, однак ці спроби недостатні і здійснюються занадто пізно. Автори роблять висновок, що вичерпавши дипломатичні засоби, Єгипет може вдатися до військової сили для захисту водної безпеки від Ефіопії, однак така політика призведе до погіршення відносин із США і зменшення єгипетського впливу в Африці.

Ключові слова: Єгипет, багатовекторна зовнішня політика, "доктрина Сісі", США, РСАДПЗ, Китай, Російська Федерація, Франція, водна безпека.

Аннотация. Статья посвящена революционным изменениям во внешней политике Арабской Республики Египет после прихода к власти Абделя Фаттаха Ас-Сиси. Авторы отмечают, что новый президент начал проводить многовекторную политику, отказавшись от полной ориентации на США. Египет диверсифицировал поставщиков техники для вооруженных сил благодаря Франции и Российской Федерации, а также расширил экономические связи с Китаем и государствами ЕС. Традиционно в центре внимания египетской внешней политики находятся монархии Персидского залива, предоставляющие существенную финансовую помощь режиму. В статье отмечается, что обострение водного дефицита вынуждает Египет проводить более активную политику по отношению как в Африке в целом, так и к странам бассейна реки Нил в частности, но она запоздала и не является эффективной. Авторы делают вывод, что исчерпав дипломатические методы, Египет может прибегнуть к военной силе для защиты водной безопасности от Эфиопии, однако подобный шаг приведет к ухудшению отношений с США и будет способствовать уменьшению египетского влияния в Африке.

Ключевые слова: Египет, многовекторная внешняя политика, "доктрина Сиси", ССАГПЗ, США, Китай, Российская Франция, водная безопасность.

The current problem. Egypt is an important foreign policy actor in the Middle East and North Africa. Since the Camp David Accords in 1978, Egypt's foreign policy was based on a strategic partnership with the United States of America and the role of the mediator in Israeli – Palestinian negotiations. After the demise of Hosni Mubarak's regime, Islamist Mohamed Mursi came to power in 2012, but he did not have time to substantially change the principles of the foreign policy. However, in the wake of the successful coup in 2013 and subsequent victory after Presidential elections Field Marshal Abdel Fattah el-Sisi decided to abandon some old strategies and to implement a multidimensional approach. *The research assumption* of the authors is that the shift towards new partners during the presidency of el-Sisi is an attempt to adapt to new external conditions and simultaneously preserve the absence of economic reforms. *The aim of the article* is to analyze the adjustments in Egyptian foreign policy after the military takeover of 2013.

The important research results. The sources of information, used in this article, are taken from regional and worldwide mass-media outlets: Al-Ahram Weekly, Egypt Independent, The

Daily News Egypt, The National and finally – from Reuters. Among foreign authors one should pay a close attention to Michael Wahid Hanna who claims that new Egypt's foreign policy is directly linked to Abdel Fattah el-Sisi's doctrine of survival of military regime [1]. Several Egyptian authors like Walaa Hussein [2] and Nader Noureddin [5] believe that Egyptian diplomatic return to Africa is caused by growing water threat. In general, most authors point out at radical changes in Egypt's foreign policy after the rise to power of el-Sisi, but each has its own explanation. On the one hand, Egyptian authors characterize it as the beginning of a true multidimensional policy. On the other hand, Western observers consider this foreign policy shift as a compulsory step needed to maintain the stability of the regime and to lessen the dependence on the USA, since Americans are vocal in questions regarding democratization and human rights. So, it is necessary to note that Egypt's foreign policy is a promising topic that demands a comprehensive analysis and study, since many authors cover different aspects of the issue.

The rise of General Abdel Fattah el-Sisi to power led to the major shift in Egyptian strategic thinking. The basic goals of current foreign policy are represented by domestic stability and the survival of regime. Internal economic problems and drastic changes in the Middle East forced military circles to introduce "Sisi doctrine". This document defines a multipolar approach to foreign policy with a decisive shift away from the overwhelming dependence on traditional Egyptian supporter H the USA [Michael Wahid Hanna, 2014].

The growing attention of Egypt to African continent under el-Sisi is understandable because of the pressing issue of water security. The Nile, as the longest African river, provides Egypt with 95 per cent of water requirements, but the main flow of it forms in the lands of upstream countries, namely in Ethiopia where the Blue Nile originates under influence of heavy rains in the highlands. Under 1929 and 1959 agreements Egypt and Sudan received and continue to receive respectively 55 billion and 18,5 billion cubic metres of the Nile water, nearly monopolizing the use of this precious resource in arid and desert climate of Eastern Africa [Walaa Hussein, 2017].

During the rule of President Gamal Abdel Nasser Egypt was involved in African affairs and supported decolonisation movements. The triumph of the Suez Canal nationalization of 1956 contributed to the demise of British and French colonial empires in Africa. However, the interest of official Cairo visibly declined after the defeat in the 1967 war against Israel, and in the subsequent period Egypt paid less attention to relations with continent, choosing the Middle East instead. East African countries were also distracted by civil wars, piracy and famine in the Horn of Africa as well as by protracted civil war in the Democratic Republic of Congo. However, this situation is not relevant anymore because of crucial increase of population in the upstream Nile Basin and determination of upper riparian states to use waters of the Nile for their own development. In May 2010, five regional actors Ethiopia, Uganda, Kenya, Tanzania and Rwanda signed the "Entebbe Agreement" in order to provide themselves with considerable shares of water for farming, electricity and economic development. These state actors wanted divide the Nile's water on just basis, because they thought that Sudan and Egypt received too much of it. Both official Cairo and Khartoum that considered their rights of water use as both "traditional" and "historic" decided not to participate in the negotiations and did so between 2010 and 2015 [3].

Ethiopia was the first state actor among "Entebbe Five" that put the Nile's water into good use at large scale. The decision of official Addis Ababa to go ahead with construction of the "Great Renaissance Dam" ("GERD") on the Blue Nile in 2010 poses a serious danger for Egypt. Upon its completion the Italian-made mega object close to Sudanese border will be the largest dam in Africa: 1780 meters long and 155 meters high. "GERD" will have a capacity to generate at least 6000 megawatt of energy thanks to 16 turbines and to store more than 74 billion cubic meters of the water endangering the flow of it towards Egypt in the long run [4].

Egypt was not in position to react to "GERD" project because of the Arab Spring and the fall of Hosni Mubarak, and subsequent coup of military brass in 2013 against President Mohamed Mursi that isolated country in the world. The disappearance of Sudan in 2011, as a single state entity, left Egypt without reliable ally and strategic platform for military strike near the border with Ethiopia. Official Addis Ababa also proposes to supply electricity to neighbours at rates that are significantly lower than market ones in order to lure countries of Eastern Africa to its side. The war against Ethiopia that hosts major diplomatic institutions in Africa and the HQ of the African Union may cause total isolation of Egypt within continent and strong negative reaction of the USA, since Americans consider Ethiopians a crucial ally in the war against terrorist groups in Somalia. Moreover, "GERD" is financed with domestic funds and money transfers from Ethiopian Diaspora, what means that the country is totally independent from donor-states in this respect and its behaviour can not be influenced.

Meanwhile, Egypt's population under the influence of demographic explosion will reach 135 million people by 2050, if to take into consideration the current tendency of population growth. That, in turn, may require from the state some 135 billion cubic metres of water in order to satisfy basic needs of local population. The water deficit will probably constitute a more than 80 billion cubic metres, even considering that Egypt continues to enjoy quota of 55,5 billion cubic metres of the Nile in the future, what looks completely impossible [*Nader Noureddin*, 2016].

That is why Egypt's top priority under Abdel Fattah el-Sisi is cooperation with East African countries in questions of water security. As a result, President Abdel Fattah el-Sisi begun to attend African summits. Several years ago Egypt also has achieved the agreement with Ethiopia to conduct a technical study of the dam and impact assessment of this object for the environment. In March 2015, President el-Sisi, his Sudanese colleague Omar al - Bashir and Ethiopian Prime Minister Hailemariam Desalegn made public the "Declaration of Principles of the Ethiopian Renaissance Dam" that stipulated Ethiopian obligation "to respect Egypt's share of the Nile's water". On the other hand, the declaration does not oblige Ethiopia to guarantee a fixed share of water to Egypt and can be considered as useless and face-saving document for official Cairo [Sonia Farid, 2015].

The new regime also strives to restore Egypt's positions in Africa through the development of economic ties. However, the trade relations are limited at best. In 2016 the exchange of goods between Egypt and 53 countries of the continent constituted only 4,8 billion dollars with Egyptian export of 3,4 billion [Mohamed Samir, 2017]. The principal challenges of Egypt in the field of regional integration – tensions in relations with the countries of the Nile basin and traditional confrontation within Arab Maghreb Union because of regional rivalry between Algeria and Morocco and chaos in Libya after 2011.

The ties of Egypt with the USA remain strategic. This cannot change even the recent US recognition of Jerusalem as Israel's capital, which Egypt condemned as other Arab states. Egypt with the largest 500 – thousand strong armed forces in Arab world is traditionally the second most important recipient of American aid in the region after Israel with 1,3 billion dollars of military assistance and 150 million dollars of civil grants. In 1989 it was the first country that attained the status of major Non-NATO ally of official Washington on African continent. Owing to the long history of technical – military cooperation with a sole superpower, Egypt boasts the largest African fleet of F – 16 with 220 fighters which is also the forth by the numbers in the world [Dan Arkin, 2016]. Along with Morocco that country also extensively uses "Abrams" M1A1 battle tanks in its armed forces with more than 1000 military vehicles. The cost of American fighter jets constitutes 8 billion dollars and the worth of tanks exceeds 3,9 billion dollars but Egypt did not pay anything for this hardware [Julia Simon, 2013]. The constant need to cater

and to modernize those and other complex systems of weapons defines the overwhelming military-technical dependence of Egypt on the USA.

In 2009 President Barak Obama visited Cairo University to proclaim his revolutionary speech about the reconciliation and cooperation with Muslim world, but later he decided not to support a long-time ally Hosni Mubarak in 2011 during the Arab Spring when Egyptian strongman ordered to use force against demonstrators. As a result, the military circles of Egypt considered his move as cowardice. In 2013 both countries even temporary froze relations over the coup of Abdel Fattah el-Sisi. As a result, Egyptian strongman has never received an invitation to visit Washington and military aid to Egypt was put on hold. Only in 2015 Barak Obama agreed to resume ties in order to prop up Egypt in military campaign against the Islamic State ally "Welayat Sinai" [10]. Because of the rising terrorist threat in 2016, Egypt became a primary recipient of mine resistant ambush protected vehicles (MRAP), indispensable for patrolling of the countryside dotted with improvised explosive devices and landmines. In generals 762 MRAPs should be delivered to Egyptian army free of charge [Taha Sakr, 2016].

Many observers believe that official Washington will tolerate any Egyptian behaviour in respect to human rights. During 1948 – 2016 the USA provided Egypt with 77,4 billion dollars and this amount also includes annual military assistance to the tune of 1,3 billion since 1987 [12]. Americans are interested to protect their political and military investments in Egypt and keen to downplay many problems in bilateral relations like the coup of el-Sisi in 2013 or insecurity of Copts that constitute a sizable minority of Egyptian population. However, this dependence is bilateral. Egypt can not survive without generous credits of the IMF that are vital for stability of Egyptian pound, and the US vote heavily counts in decision-making process in this institution. The same is true in respect to the World Bank, which has numerous programs in Egypt in areas of energy, agriculture, employment, and housing. Total portfolio of 26 current projects of the World Bank has estimated cost of some 5,92 billion dollars. This organization also successfully implemented 143 projects in the country in past [13].

Official Washington is interested in stable relations of Cairo with Israel considering Egypt as the cornerstone of any Arab coalition against Jewish state, whose absence will make Arab victory impossible. Since 1979 both countries have adhered to the relationship based on the formula of a "Cold peace", but after the 2014 their leaders decided to join efforts in campaign against "Welayat Sinai" in the northern part of the Sinai Peninsula. Israel was silently supportive of military coup that brought to power "another Hosni Mubarak" – Abdel Fatah el-Sisi considering him a stable and predictable partner and influential intermediary in dealings with the Gulf monarchies. In 2015 Israeli Prime-Minister Benjamin Netanyahu ordered to open the embassy in Cairo instead of one closed during the Arab Spring. Military – led Egypt is taking on "Islamic State" and tries to isolate "Hamas", considering the group in the Gaza Strip the ally of terrorists. To this end Abdel Fattah el-Sisi has ordered to destroy the net of tunnels between Rafah and the Gaza Strip by flooding them with water from the Mediterranean Sea. Those clandestine routes have existed since 2007, when members "Hamas" took over the Gaza Strip and Israeli leadership decided to isolate the group by blocking external borders of the Gaza thus effectively crippling 30 per cent of enclave import [Nidal al-Mughrabi, 2015].

Egyptian President continues the land blockade of Palestinian areas with a population of 1,8 million people by keeping Rafah border crossing of the Gaza Strip closed during the lion's share of time. Because of this his country loses a lot of money. Many economists suggest that both Egypt and the Gaza Strip should open a free trade zone near the city of Rafah. In 2017 el -Sisi helped to negotiate the reconciliation between the Palestine Authority and "Hamas". As a result, the security forces of the Palestine Authority took control of the Strip borders in order to

stop the flow of Gaza militants to the Sinai Peninsula. In exchange Egypt reopened Rafah crossing, but it is unknown how long both sides will remain partners [15].

Back in 1996 the USA agreed to introduce preferences in textile trade with the Middle Eastern countries that made a peace deal with Israel. Subsequently in 2004 Egypt, Israel and the USA implemented the agreement on Qualified Industrial Zones (QIZ) that allowed Egyptian textile goods to be exported to the USA if they contained at least 10,5 per cent of materials of Israeli origin. It can be zippers, buttons or any fabrics. Initially only three zones were created in Cairo, Alexandria and the Suez Canal area but today there are 15 QIZs in operation with 700 companies and 1 billion dollar annual revenue [16].

Those QIZ has become the magnet for the largest US apparel producers like "Levis", "Gap" and "Nike" that capitilized on local cheap labour force and long-or extra-long staple cotton of excellent quality. Egyptians receive just 110 dollars per month and Egypt with extensive Mediterranean coast is well suited to supply garments to the USA via the Atlantic Ocean in 12 days. Official Cairo would not risk that lucrative duty-free access to highly protected US textile market by endangering relations with Israel or the USA [17].

The trade turnover between the USA and Egypt in 2015 constitutes 6,3 billion dollars and can be characterized by unusual diversity as for the Middle Eastern country because of the export of Egyptian textiles, chemicals, fruits and vegetables. The United States remain the top supplier of aircraft, vehicles and foodstuff like grain, red meat and beans. US multinationals are among the main foreign investor due to the presence in Egypt of 1190 American corporations, among them there are such giants as "ExxonMobil", "Apache Corporation", "Coca – Cola", "General Electric", "General Motors" and others [18]. Some American food chains and banks are also popular in Egypt.

Fund-strapped official Cairo continues to search for rich donors and China is willing to be one of them because of several strategic reasons. First, Egypt is important for program "One Belt, One Road", if to take into consideration the sheer size of the population and location between continents with control over the vital Suez Canal. Second, after the events in Tiananmen Square in 1989 Chinese Communist leadership strongly supports authoritarian regimes that successfully have repelled revolutions in different countries of the world. Finally, the very magnitude of Egyptian social problems creates a precondition for implementation of huge infrastructure projects with participation of Chinese steel and aluminum makers and construction companies. Moreover, President Abdel Fattah el-Sisi views China as a more reliable partner, than demanding monarchies of the Gulf, since official Beijing does not want any political concessions on Egyptian side and its assistance is not linked to high oil prices. China with restrictive measures of family planning also may be considered as a role model for Egypt with its problem of overpopulation and water scarcity.

Official Beijing is ready to accept Egyptian pounds in bilateral trade in order to take control over a lion's share of it. The Suez Canal authority also agreed to collect payments from ships in Chinese currency, which can be used in further transactions with Asian superpower as a principal user of this waterway in trade with Western Europe [George Mikhail, 2016]. In 2014 both countries proclaimed a "Comprehensive strategic partnership", however, in reality this is nothing more than a one-sided dependency, since Egypt is running a chronic and catastrophic deficit in trade with China. For example, during the last year the bilateral turnout constituted 12 billion dollars with Chinese export exceeding the amount of 11 billion dollars. Today China is trying to overcome the USA as the largest trade partner of Egypt by providing almost the same products – electronic equipment, machinery and transport vehicles, but at a cheaper price. There are approximately 1,220 companies from the PRC in Egypt that invested in local economy more than 500 million dollars [20].

China, as one of the primary users of the Suez and the Panama Canals, is interested in investments in the Suez Canal Economic Zone as in the hub of international trade and a promising storage area. Chinese leadership also will join the efforts to build the new administrative capital of Egypt worth 45 billion dollars with a population of some 5 million people, divided into orderly districts of Africa's highest skyscrapers, green zones and futuristic governmental buildings. The construction has begun in 2015 and continues today despite the fact that the project is not popular in the country beset by different social problems. The main idea behind the project – is to erect the greatest planned city of Africa 50 kilometers east of Cairo without current congestion and pockets of poverty of current capital, to turn Abdel Fatah el-Sisi into the greatest builder and architect in Egypt's history and to create millions of jobs thanks to private investment and Chinese funds. Egyptian leadership also considers Chinese tourists, which represent the biggest pool of international travelers in the world, as a worthy substitution for Europeans, unwilling to visit Egypt because of security considerations [Sudeshna Sarkar, 2016].

After the events of the Arab Spring Egypt suffers from acute deficit of dollars under the influence of depressed tourism industry. Therefore China helped to attract 12 billion dollars – strong IMF loan to Egypt through a currency swap agreement, since the Fund asked official Cairo to find several additional donors in order to ease the deficit of US dollars in Egyptian economy with 6 billion dollar in third-party funding. The currency swap between partners will be for a total amount of 2,62 billion dollars for 3 years [22].

Egypt with population over 100 million also remains an important Sunni player in the Gulf where local monarchies consider it as a counterweight to the most populous regional Shiite power Iran with 80 million people. Since Iranian nuclear deal in 2015 the GCC countries repeatedly expressed concern that official Tehran would buy sophisticated weapons with funds, which suddenly became available in Western banks. Moreover, the rise of Abdel Fattah el-Sisi, as a stable and traditional representative of Egyptian army, was welcomed by Saudi leadership because it undermined the very concept of the Arab Spring and removed from the position of power dangerous "Muslim Brotherhood" in the only country, where the movement has won presidential elections in a transparent and convincing way. In the field of trade, Egyptian products of agriculture like citrus fruits, rice and potatoes are in great demand in the Gulf, where constant rivers and lakes are absent.

In order to prop up the new regime during the next five years, Saudi state oil company "Aramco" agreed in 2016 to deliver 700 thousand tones of refined products (diesel, gasoline and fuel oil) per month to Egypt at subsidies prices. The contract worth 23 billion dollars represented the real opportunity for Egypt to save on fuel import while continuing to implement infrastructure projects of the scale like enlargement of the Suez Canal or construction of the new capital [23]. In this respect the deal strongly resembled the agreement of Saudi Arabia with strategic ally Pakistan under the rule of Prime-Minister Nawaz Sharif in the wake of nuclear tests in May 1998.

Saudi Arabia and Egypt also agreed to carry out the project of "Asian – African Bridge" intended to simplify the passage of pilgrims from Egypt to sacred Makkah or (possibly) the movements of Egyptian troops in event of the war between Iran and Saudi Arabia. Egypt pilgrims routinely arrive onboard of ferries via the Red Sea to Jeddah port for a religious pilgrimage to nearby Makkah and this maritime route is considered a dangerous one. The construction of bridge may cost up to 4 billion dollars and will shorten the time of travel between both countries to 30 minutes for people and goods [24]. There is also a huge Egyptian Diaspora in the Kingdom, whose remittances are vitally important. 968,000 Egyptians that are working here represent a 40% of all foreign Arabs in the country [*Passant Rabie*, 2016].

However, traditionally good relations of Saudi Arabia with Egyptian military brass have soured recently. By assisting the regime with generous aid official Riyadh demands an unconditional compliance with its regional policy in Syria and Yemen. However, President el-Sisi, who considered himself the heir of Pharaohs and influential politician in the Middle East and North Africa, decided not to be subservient to Saudi King Salman. Moreover, Egypt is more interested in the Sinai campaign and in damage control over Libyan crisis than in risky adventures in Yemen, where the country has already suffered significant casualties during Yemeni civil war of 1962 – 1970. He also diplomatically sided with the war campaign of Bashar al – Assad in Syria and turned a blind eye towards atrocities of Syrian troops during the siege of Aleppo. Finally, Egyptian society is deadly set against the transfer to Saudi Arabia of islands Tiran and Sanafir situated 4 kilometres apart near the entrance to the Gulf of Aqaba next to Jordan, despite decision of the Parliament to return them to the Kingdom unconditionally. Egypt controlled both of islands since 1950 under the permission of Saudi Arabia but now official Riyadh wants them back [26].

On the other hand, Saudi Arabia is in the position to respond with reprisals. For example, the Kingdom can cut the supply of refined products at any given moment. King Salman also may consider a move to introduce a tax on the transfer of remittances, deport Egyptian workers without a prior warning or limit the number of Egyptian hajj pilgrims. Moreover, as the act of ultimate revenge, Saudi leadership is ready to provide Ethiopia with funds, necessary to finish construction of "GERD" before the schedule.

On the other hand, both countries are divided only by the Red Sea what creates preconditions for trade interaction. In 2016 Saudi Arabia was one of the most important economic partners of Egypt with trade exchange of 4,3 billion dollars what is slightly less than the volume of commercial trade of Egypt with whole Africa. Egyptian enterprises export mainly steel, copper, oranges and potatoes, dairy products, onions, while importing petroleum and chemicals [27].

Another close partner is the UAE, whose rulers view official Cairo as an important ally in the field of security. Back in 2014 Egypt became the largest receiver of foreign direct assistance from this country with monarchies Jordan and Morocco trailing far behind. The mega projects of the UAE included the construction of 50 thousand houses, 100 schools and 78 clinics and opening of 25 wheat storages facilities in different parts of Egypt and were intended to create at least 900 thousand jobs [*Mohammed Almezel*, 2016]. The confederation also organized several donor conferences in order to collect funds for the development of Egypt.

However, not all GCC countries are ready to generously support the regime of Abdel Fattah el-Sisi. Gas – rich Qatar, as another influential Middle Eastern player, had special relationship with "Muslim Brotherhood" and was deadly set against the military coup in 2013. Moreover, Egyptian court declared that Mohamed Mursi spied for Qatar and sentenced him for life in prison. To add insult to injury, both countries consider the Gaza Strip as a zone of their exclusive influence where they can use humanitarian diplomacy. Today "Al Jazeera", a popular TV channel in Arab world, whose management employs several Egyptian oppositional journalists, harshly criticizes the regime of el-Sisi, evaluates in negative light his performance as President and investigates the omnipresence of the army in political and economic life [Oren Kessler, David Weinberg, 2016]. Moreover, the remnants of "Muslim Brotherhood" reside in Doha and Egypt frequently accuses Qatar of "colluding with dangerous terrorists".

Well-known scientists Abdel Monem Said Aly and Hussein Ibish believe that Egypt is important to "Arabian Six" because of considerable human resources and large armed forces. The demise of Egypt can give an impetus to the rise of regional terrorism and the flood of refugees via the Red Sea to the GCC countries. Moreover, the support of el-Sisi was intended to show to general population in the Gulf that huge Arab country could be better off without unpredictable

Islamists as its rulers. As a result, the GCC members mainly employed several types of assistance to prop up the regime – direct transfer of funds to Central Bank of Egypt and supply of a cheap energy [Abdel Monem, Said Aly, Hussein Ibish, 2016].

A pause in relations with official Washington after military coup of 2013 forced the regime of Abdel Fattah el-Sisi to turn towards the Russian Federation. But President Vladimir Putin has used the temporary worsening of relations between the USA and Egypt in order to force his Egyptian colleague to sign unnecessary and expensive military contracts. As a result, Russian enterprises were invited to deliver 50 MiG – 29 fighters and 46 Ka – 52 "Alligator" gunships. 17 of Ka – 52 are due to be supplied in 2017 and contract is about to be completely executed by 2019 [31]. Critics fail to understand why Egypt needs so many Russian MIGs – 29, since this model is outdated.

Russia remains an important trade partner of Egypt. For example, in 2015 the trade turnover constituted more than 4 billion dollars with Russian supplies of grain, corn, timber, products of metallurgy, crude oil and sunflower oil dominating in exchange between countries. On the other hand, Russian companies import Egyptian oranges, potatoes and rice. It is necessary to state that more than 100 industrial objects (including famous Aswan High Dam) were built by the engineers from the Soviet Union during the Cold War and many of them require modernization [32]. In 2015 both sides agreed to construct Egypt's first nuclear power plant in Dabaa in order to alleviate shortages of electricity. This object will have a capacity to generate 4600 MW of current and is characterized by the price tag of 24 billion dollars. The Russian loan is expected, since Egyptian regime does not have necessary funds to finance such mega object on its own [33].

In 2014, 3 million of Russians visited Egypt as tourists and this destination became the second most popular after Turkish resorts with their all-inclusive hotels. However, after the terrorist attack against Airbus A - 321 during the flight №9268 from the Sinai Peninsula to Saint Petersburg, when 224 people died, Russian tourists stayed away from Egypt because of the ban on charter flights. In order to improve the security of the airports and resume the functioning of the air bridge, Egyptian authorities decided to equip them with biometric devices in Hurghada and Sharm El Sheikh and introduce the brand-new X - Ray scanners as well as to multiply the number of security video cameras [Ahmed Saad, 2016]. However, so far Russian tourist have failed to come back en masse, despite an agreement to resume air communication between Cairo and Moscow in February 2018, charter flights are still banned.

Official Cairo also has the ties of special partnership with France whose companies executed in different historic periods two major projects for Egyptian economy: the Suez Canal and the Cairo Metropolitan. France is concerned about the fate of Libya and considers arms sales to Egypt as counterweight to terrorists of "Islamic State" in this country. Moreover, the competition in the world of arms trade is fierce and official Paris is happy to enter Egyptian market of weapons, dominated during several decades by American hardware. Under the rule of el-Sisi Egypt bought an extremely expensive French arms package 5,2 billion dollars worth, comprising one "FREMM" frigate, four "Gowind" corvettes and 24 "Rafale" multirole fighter jets with several modifications of brand-new European missiles, and is in talks for acquiring two more corvettes. In fact, Egypt became the second customer of "Gowind" vessels after Malaysia and the first in the world foreign operator of "Rafale" fighters. The French government provided a loan for this purchase [*Pierre Tran*, 2015].

Egypt has also sensationally bought two French – built Mistral – class landing helicopter dock vessels initially intended for the Russian Federation. The Russian Defense Ministry ordered them in 2011 but three years later official Paris froze the delivery of both carriers over Ukrainian crisis. In 2015, Russia and France agreed to cancel the contract and one year later

"Mistrals" were transferred to Egypt for 1 billion dollars after Russian approval [36]. Many observers believe that those ships are necessary as counter – insurgency platforms in fight against terrorism across the Sinai Peninsula and near the shore of lawless Libya as well as sentries for protection of offshore gas fields [37]. However, it is possible that Egypt made secret promises to Saudi Arabia and the UAE concerning the use of "Mistrals" in the Gulf in order to intimidate Iran or in waters around Yemen to support naval blockade of the areas held by Houti rebels.

Conclusions. "Sisi doctrine" is intended to achieve the survival of the regime and represents the reaction of military brass to current challenges and conditions. Diversification in respect to strategic partners is an attempt of Sisi to find a stable source of financial aid in times of the absence of structural economic reforms and the violation of basic human rights of the opposition. Despite considerable American military assistance, Egypt went on the shopping spree, controversially choosing expensive French and some outdated Russian weapons systems in addition to tanks and fighters of the US corporations that are traditionally in the use in armed forces. However, such policy brings contradictions. The regime tries to strengthen military circles, as its main base of support, splashing money on expensive weapons when foodstuff and dollars are in a short supply and in reality only hi – tech counter – terrorism equipment is needed. Moreover, purchases of Russian and French jets create preconditions for the problem of interoperability of those systems with dominating in armed forces American weapons. On the other hand, Egypt can prove its worth to the Gulf monarchies like Saudi Arabia and the UAE in confrontation with Iran, but direct clash between two most populous Middle Eastern states can be ruled out.

References

- 1. *Michael Wahid Hanna* (2014). 'The Sisi Doctrine', Foreign Policy, 13 August. Available at http://archive.fo/UCylO
- 2. Walaa Hussein (2017). 'Egypt fails to make headway as it navigates Nile River talks', Al Monitor, 14 July. Available at: https://www.al-monitor.com/pulse/originals/2017/07/egypt-nile-basin-states-summit-water-share-entebbe.html
- 3. Nile basin countries to discuss water shares (2017), Sudan Tribune, 17 June 2017. Available at: http://www.sudantribune.com/spip.php?article62758
- 4. Grand Ethiopian Renaissance Dam Project (2017), Salini Impregilo. Available at: www.salini-impregilo.com/en/projects/in-progress/dams-hydroelectric-plants-hydraulic-works/grand-ethiopian-renaissance-dam-project.htm
- 5. *Nader Noureddin* (2016). 'Egypt's water concerns', *Al-Ahram weekly*, 4–10 February. Available at: http://weekly.ahram.org.eg/News/15382.aspx
- 6. *Sonia Farid* (2015). 'Will Egypt still get its fair share of Nile water?', *Al Arabiya*, 31 March. Available at: https://english.alarabiya.net/en/perspective/analysis/2015/03/31/Will-Egypt-still-get-its-fair-share-of-Nile-water-.html
- 7. *Mohamed Samir* (2017). '\$4.8bn trade volume between Egypt and African markets', *Daily News Egypt*, 12 August.
- 8. *Dan Arkin* (2016). 'In the Sky over Egypt', Israeli Defence, 20 October. Available at: http://www.israeldefense.co.il/en/content/sky-over-egypt
- 9. *Julia Simon* (2013). 'Egypt May Not Need Fighter Jets, But The U.S. Keeps Sending Them Anyway', *WGBH News*, 8 August.
- 10. Obama lifts freeze, ships arms to Egypt, CNN, 31 March 2105. Available at: http://edition.cnn.com/2015/03/31/politics/obama-egypt-aid-f-16s-tanks/index.html
- 11. Taha Sakr (2016). 'US delivers Egyptian Armed Forces a batch of MRAP vehicles', *The Daily News Egypt*, 1 October.

- 12. U.S. will consider resuming halted military aid to Egypt: *Trump* (2017), *Reuters*, 21 September.
- 13. Egypt projects and programs (2017), *The World Bank*. Available at: http://www.world-bank.org/en/country/egypt/projects
- 14. *Nidal al-Mughrabi* (2015). 'Egyptian flooding drowns Gaza's tunnel business', *Reuters*, 4 November.
- 15. El-Sisi Brokers Gaza Deal in Egypt's Push for Relevance' (2017), *Bloomberg*, 10 October. Available at: https://www.bloomberg.com/news/articles/2017-10-10/beaming-gaza-portrait-records-egypt-s-renewed-push-for-relevance
- 16. QIZ Egypt, *Ministry of trade and Industry* (2017), Available at http://www.qizegypt.gov.eg/About QIZ.aspx>
- 17. Egypt's Duty-Free Apparel Production Making a Comeback after Years of Political Turmoil (2017), October 19, Apparel News Net, 19 October. Available at: https://www.apparelnews.net/news/2017/oct/19/egypts-duty-free-apparel-production-making-comebac
- 18. Egypt-US business data, American Chamber of Commerce in Egypt (2016), Available at: http://www.amcham.org.eg/information-resources/trade-resources/egypt-us-relations/trade-investment-relations-profile
- 19. *George Mikhail* (2016), 'Will Chinese currency swap help Egypt face dollar crisis?', *El-Monitor*, 27 December. Available at: < http://www.al-monitor.com/pulse/originals/2016/12/egypt-dollar-crisis-china-currency-swap-deal.html>
- 20. Egypt-China economic relations anticipate a boost (2016), *Ministry of trade and industry of Egypt*, 17 August. Available at: http://www.mti.gov.eg/English/MediaCenter/News/Pages/Egypt-China-economic-relations-anticipate-a-boost.aspx
- 21. Sudeshna Sarkar (2016), 'Egypt turning towards to China for investment', African Business Magazine, 18 October. Available at: http://africanbusinessmagazine.com/region/north-africa/egypt-turning-towards-china-investment/
- 22. China signs 3-yr 18 bln yuan bilateral currency swap with Egypt (2016), *Reuters*, 6 December.
- 23. Saudi Aramco begins oil supplies to Egypt (2016), Middle East Monitor, 12 October. Available at: https://www.middleeastmonitor.com/20161012-saudi-aramco-supplies-oil-to-egypt
- 24. Saudi-Egypt bridge 'to recover cost in 10 years, Trade Arabia (2016), 31 May. Available at: http://www.tradearabia.com/news/CONS 307841.html>
- 25. Passant Rabie (2016). Discordant friends: Egyptian workers in Saudi Arabia', Madamasr, 22 April. Available at: http://www.madamasr.com/en/2016/04/22/feature/politics/discordant-friends-egyptian-workers-in-saudi-arabia
- 26. Protests in Cairo over Egypt-Saudi Tiran and Sanafir island deal (2016), *Euronews*, 15 April. Available at: http://www.euronews.com/2016/04/15/protests-in-cairo-over-egypt-sauditiran-and-sanafir-island-deal
- 27. Saudi Arabia-Egypt trade exchange amount to \$4.3 billion in 2016: minister (2017), *Amwal Hgad*, 23 April.
- 28. *Mohammed Almezel* (2016). 'UAE delivers hundreds of development projects in Egypt', *The Gulf News Egypt*, 30 December. Available at: http://gulfnews.com/news/mena/egypt/uae-delivers-hundreds-of-development-projects-in-egypt-1.1561375
- 29. Oren Kessler, David Weinberg (2016), 'No Neutral in the Egypt Qatar Quarrel', US News.com, 30 June. Available at: < http://www.usnews.com/opinion/articles/2016-06-30/the-us-will-struggle-to-stay-neutral-in-the-ongoing-egypt-qatar-quarrel>

- 30. *Abdel Monem, Said Aly, Hussein Ibish* (2016). 'Egypt GCC partnership: Bedrock of regional security despite fissures', *The Arab Gulf States Institute in Washington*, 12 September, P. 2, 3. Available at: http://www.agsiw.org/wp-content/uploads/2016/12/Hussein_AbdelMonem_GCCEgypt_ONLINE-1.pdf
- 31. Egypt will begin receiving KA-52 attack helicopters by end of year (2017), *Quwa*, 30 August.
- 32. Межгосударственные отношения России и Египта, *PИА Новости* (2016), 15 марта. Available at: https://ria.ru/spravka/20160315/1389482405.html
- 33. Dabaa nuclear power plant agreement to be concluded by end of 2016: Rosatom CEO', *The Daily News Egypt* (2016), 7 December.
- 34. *Ahmed Saad* (2016). 'Russian tourism to Egypt expected to return by January: sources at Tourism Ministry', *The Daily News Egypt*, 29 December.
- 35. *Pierre Tran* (2015). 'French Official: Russian Systems May Stay Aboard Mistrals if Egypt Buys', *Defence news*, 12 September. Available at: https://www.defensenews.com/naval/2015/09/12/french-offical-russian-systems-may-stay-aboard-mistrals-if-egypt-buys>
- 36. Egypt takes delivery of second French Mistral warship (2016), *Reuters*, 16 September. Available at: https://www.reuters.com/article/us-france-egypt-deals/egypt-takes-delivery-of-second-french-mistral-warship-idUSKCN11M153
- 37. Why is Egypt buying two orphaned Mistral class aircraft carriers from France? (2015), *Foxtrot Alpha*, 23 September. Available at: https://foxtrotalpha.jalopnik.com/why-is-egypt-buying-two-orphaned-mistral-class-aircraft-1732595299