THE SINAI IN THE POST-MUBARAK ERA: OPTIONS, OBSTACLES, AND THE DILEMMA OF A DATED PEACE TREATY

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Executive Summary

The fall of Hosni Mubarak in early 2011 spurred a security vacuum in the Sinai Peninsula that poses profound new challenges for Israel and Egypt and calls into question the viability of their 1979 peace treaty. Terrorism, kidnappings and human trafficking, among other problems, now constitute ordinary phenomena in the once tranquil territory, leading both Israel and Egypt to reassess their long-term security posture toward the peninsula. In large measure, the roots of the crisis reside in Cairo’s longstanding economic repression and political marginalization of the Bedouin, but the problem has escalated far beyond its original proportions thanks to the growing influence of radical Islamist groups and the intensification of smuggling activity between the Sinai and Gaza.

In response to the turmoil, Egypt called upon Israel to negotiate amendments to the peace treaty with the stated aim of enabling Cairo to wage an effective military campaign against the Bedouin. Israel rejected this request, arguing that Egypt could use however many troops it needed so long as it received Israeli permission in advance. Still, Cairo’s proposal triggered a debate about the potential strategic gains of such a renegotiation and the broader prospects of reaching a *modus vivendi* with Egypt – particularly in light of the internal challenges that currently preoccupy the Muslim Brotherhood-led regime.

To be sure, the odds of a full-scale escalation in the Sinai seem low, at least for now. Still, the situation poses a thorny dilemma for Israel, which finds itself constrained by the terms of the treaty from responding to potent security threats along its border. It also comes at a time when the Jewish state faces broader regional challenges spurred by the Arab uprisings, the possibility of future conflict with its other neighbors, and the perceived diminution of U.S. power in the Middle East.
In light of these phenomena, Egypt’s tenuous political situation, and Cairo’s half-hearted efforts to stabilize the Sinai thus far, Jerusalem should resist Egypt’s calls for amendments to the treaty. At the same time, the United States should urge Egypt to fully assert its authority over the Sinai, provide alternate economic and political opportunities to the Bedouin, gradually reduce the number of smuggling tunnels while ensuring the flow of non-lethal goods across the Sinai-Egypt border, and place itself on record as firmly opposing Egypt’s refusal to engage in significant political dialogue with Israel.
I. Introduction

The instability of the Sinai in the wake of Hosni Mubarak’s ouster in February 2011 presents Israel and Egypt with an unforeseen dilemma that challenges key assumptions not only concerning the viability of their 1979 peace treaty, but also concerning their ability to defend themselves against enemy attacks within or near their respective territories. In this study, I discuss the contours of Israel’s newfound predicament, the prospects for the peace treaty’s survival in whole or in part, and Israel’s understanding of the crisis in the context of its broader regional position and its relationship with the United States. The essay offers no silver bullets – indeed, the troubles in the Sinai will likely persist for years to come – but it does analyze the likelihood of further escalation and assess the pros and cons of several short-term and long-term policy options.

The analysis presented here is based in part on a series of interviews I conducted with Israeli policy experts during a trip to the Jewish state in late January and early February of 2013. By design, the paper addresses primarily the Israeli understanding of events in the Sinai, and seeks to appraise the strategic considerations that influence the Jewish state’s policy options, limitations and objectives – both with respect to the Sinai and with respect to other dimensions of the Israel-Egypt bilateral relationship. Cairo’s view, though critical, remains a secondary focus, and receives attention predominantly to the extent that it may clarify and illuminate the regional context that Israel faces and its relevance to U.S. policy. In this sense, the essay functions as a case study of the singular challenges that confront a state when its traditional security doctrines begin to unravel – and when its alternative options seem bleak and uncertain. It also provides an analytic starting point for U.S. policymakers who seek to understand the roots and implications of this mounting security quandary.
II. Bedouin in Revolt: The Roots of Sinai’s Decline

On March 21, 2013, Israeli tourist Amir Omar Hassan and Norwegian tourist Ingvild Selvik Ask boarded a taxi in Taba, which lies near the Sinai’s border with Israel, for a trip to Dahab, a small town on the Sinai’s southeast coast. During the ride, two jeeps suddenly collided with the cab, and Bedouin men emerged with guns pointed at the stunned passengers. “They beat us up a little so we’d get into the vehicle,” Hassan recalled. “I spoke to them in Arabic and they said ‘Shut up or you’ll die.’ They threw me into the vehicle and it was a long trip into the desert.”¹ In the hours that followed, the Bedouin kidnappers told Egyptian authorities that the hostages’ freedom would require the liberation of two cousins that Cairo had imprisoned on drug charges. Nevertheless, after four days of negotiations and an Egyptian promise to review the case, the Bedouin agreed to release the tourists unharmed.²

The episode was hardly atypical. The kidnapping of foreigners, both Israeli and otherwise, had become a routine occurrence since Mubarak’s ouster, and was symptomatic of the decades of pent-up frustration that Sinai Bedouin had endured as a result of their political marginalization and economic suppression by the Egyptian regime. For centuries, Cairo had generally ignored the Sinai, permitting the indigenous Bedouin to retain relative independence in the territory and even develop their own judicial system, which facilitated the creation of a separate culture and tribal identity apart from Egypt.³ This autonomy, however, began to experience significant changes under Israeli control of the Sinai between 1967 and 1982, when the Jewish state, having captured the territory during the Six Day War, began to develop a tourist infrastructure in consultation with the Bedouin that proved surprisingly lucrative and mutually beneficial. When Egypt regained control over the Sinai as a result of the 1979 peace treaty, it
sought to build on Israel’s success, and gradually transformed tourism in the Sinai into a pillar of the Egyptian economy.  

Unlike the Israelis, however, the Egyptian government failed to show much concern for the Bedouin’s participation in the Sinai’s economy. Instead, the regime restricted employment in the tourism industry to Egyptians residing outside the peninsula, breeding intense resentment among the Bedouin and leading them to believe that they amounted to second-class citizens who lacked a voice or a role in Egypt’s future. Cairo paired this economic stifling with an effort to alter the Sinai’s demographic balance, utilizing generous state subsidies to encourage thousands of Egyptians in the Nile Valley to resettle in the peninsula without regard for the indigenous population. Bedouin also began to face other severe forms of discrimination, including moves to exclude them from government positions, dispossess them of land, and generally treat them as a fifth column. In this context, President Mubarak’s transformation of the Bedouin shipping city of Sharm al-Sheikh into his summer capital and a profitable tourist hot spot constitutes a particularly glaring example of the regime’s many initiatives not only to diminish Bedouin autonomy in the Sinai, but to undermine their sense of belonging in a territory they had occupied for centuries. As one Bedouin declared, “Sinai returned to Egypt, but Egypt did not return to the Sinai.”

Not surprisingly, the Bedouin increasingly came to view Egypt not only as distinct from but also hostile to their own tribal and political identity. “Far from identifying with Egypt,” wrote the journalist Nicolas Pelham, “many Bedouin regard it as an alien entity, referring to the Nile Valley newcomers as ‘Egyptians,’ as if they are settlers threatening local survival. The animosity is tangible.” To illustrate how these tensions manifested themselves in even minor ways, one former Sinai resident recalled that many Bedouin would happily assist an Israeli
whose car broke down in the territory, but would refuse to do the same for an Egyptian.\textsuperscript{8} As Bedouin leader Mosa Delhi explained in early 2011, “The Bedouin need freedom. They need respect. The Bedouin are not hungry for food, they are hungry for honor.”\textsuperscript{9} This aspiration came with prodigious confidence that time and history resided on the Bedouin’s side. “They used to say, ‘We have seen the Ottomans, the British, the Egyptians and Israelis and now the Egyptians again. They all go and we, the Bedouins, will always remain,’” said Israeli archeologist and Sinai expert Avner Goren.\textsuperscript{10}

Because the Israel-Egypt peace treaty limits the amount of troops that Cairo can station in the Sinai, particularly near the border with Israel, the regime employed a security force staffed by ordinary Egyptians from the Nile Valley. Before long, reports of unlawful imprisonments and beatings became commonplace. Checkpoints became widespread, and police treated Bedouin as potential terrorists warranting immediate suspicion and distrust.\textsuperscript{11} If these fears at first seemed exaggerated, they soon became all too real, and ultimately in large measure represented a self-fulfilling policy. In October 2004, several terrorist attacks by Bedouin – including, most spectaculaely, the bombing of the Taba Hilton, which killed 34 people and wounded 171 – highlighted their growing willingness to resort to extreme measures in their battle against the regime. Similar acts of bloodshed would continue in the following two years. Several bombings in Sharm el-Sheikh in 2005, for example, killed more than 90 and injured more than 200, while an April 2006 bombing in Dahab killed 19 and wounded nearly 90.\textsuperscript{12}

The Egyptian response to the attacks was immediate and devastating. Security forces arrested some 3,000 people and jailed them without charges. Many of the detained included family members of the suspected terrorists, a move apparently aimed at inducing the suspects themselves to surrender. Reports of torture were also widespread. At the same time, the
government refused to answer any questions about its conduct from either Egyptian or foreign human rights groups.\textsuperscript{13} While Cairo’s brutality, from a historical perspective, was hardly out of character for Egypt’s government, and while the Bedouin’s terrorist attacks hardly constituted their first act of violence against the regime (though it certainly was among their bloodiest), the carnage and abuse on the part of both sides marked an unprecedented escalation of fighting in the Sinai – both quantitatively and qualitatively – that would only get worse in the years to come.

Perhaps more notably, the violence also reflected the growing penetration of radical Islamism into the peninsula, which would intensify after Mubarak’s fall. The Assembly of Monotheism and Jihad (Jamaat Al-Tawhid Wal-Jihad), the organization responsible for the 2004-2006 attacks and the first terrorist group ever formed by indigenous Sinai activists, embraced an extreme Salafist doctrine that had reached the peninsula from students at universities in the Nile Delta and from workers in Saudi Arabia.\textsuperscript{14} This putative religious awakening was historically anomalous, as Bedouin in the Sinai had traditionally avoided embracing fundamentalism of any kind, and had usually declined to involve themselves in broader regional issues such as the Israeli-Palestinian conflict. But times had changed, and the Bedouin’s socioeconomic struggle against Egypt now found a willing partner in other forces that maintained their own distinct, if complementary, agenda. At the same time, if the appeal of radical Islamism to Bedouin had its roots in non-religious grievances, that distinction became increasingly less relevant as the turmoil began to spread, the crisis deepened, and Bedouin happily allied themselves with more and more terrorist groups willing to provide opportunities, however unlawful, that could foster trade. The fight for Bedouin’s tribal identity thus became enmeshed not merely with the bureaucratic infrastructure of other terrorist groups and the illicit
enterprises that stimulated the Sinai’s economy, but with the causes those groups represented and their geographic and ideological pedigree.

In this context, the Israeli disengagement from Gaza in 2005 and Hamas’ subsequent coup in 2007 marked key turning points. While Hamas, Islamic Jihad and other terrorist organizations had already initiated a smuggling industry with the Bedouin along the Gaza-Egypt border in the 1990s that flourished in the aftermath of the second intifada, the departure of Israeli troops from the Philadelphi Corridor provided new opportunities for Hamas and the Bedouin to expand their smuggling operations and bolster economic opportunity in the Sinai.15 Consequently, by the start of the Arab uprisings, smuggling activity snowballed, the number of tunnels grew to more than 1,000, and Hamas’ influence in the peninsula swelled, further radicalizing the population and unleashing a previously dormant ardor for the Palestinian cause among larger numbers of Bedouin.16 While Egypt had agreed to monitor the border for smuggling and had repeatedly told Hamas to avoid attacking Israel from the Sinai, Cairo remained largely passive in the aftermath of the disengagement.17 When Hamas-affiliated terrorists in the Sinai fired rockets at the southern Israeli city of Eilat in August 2010, Egypt at first denied that the attack occurred on its territory, and then rebuffed claims that Hamas bore responsibility for it. When Jerusalem presented Cairo with intelligence that proved both claims incorrect, the regime changed its narrative. Egyptian security forces acknowledged that Hamas members, having infiltrated the Sinai through the smuggling tunnels, chose to launch the attack from the peninsula rather than from Gaza in order to conceal the organization’s role in it.18 Faced with this obfuscation and back-pedaling, Hamas not unreasonably saw little to fear from Cairo.

Yet Hamas would not face a lethargic Egyptian government indefinitely. By the time the Arab uprisings ousted Hosni Mubarak from power in early 2011, the inflamed security crisis
provided Cairo with a rude wake-up call. In one particularly chilling observation, Menachm Zafrir, a former Israeli civilian security residing at the Negev desert community of Nitzanei Sinai, pointed out that Egyptian border forces in Zone C no longer faced Israel. They now faced the Sinai, he said, “to make sure the Bedouin don’t slaughter them.”

III. “The Wild West”: The Sinai Post-Mubarak

Mubarak’s fall in February 2011 inaugurated a new and hardly improved era in the Sinai. In the immediate aftermath of his ouster, Bedouin armed with missiles and assault rifles attacked dozens of police stations in the peninsula, leading them to abandon their posts and enabling the repressed Bedouin to pursue their illicit activities more openly and with impunity. While Israeli tourism had already begun to dwindle in the previous years, particularly after the 2004 terror attacks in Taba, it now – with the exception of visits by Israeli Arabs – virtually disappeared, with frequent travel warnings by Israel’s Counterterrorism Bureau providing reminders about the ongoing dangers. More recently, the U.S. State Department followed suit with its own cautionary notice. Cairo’s post-Mubarak leadership, distracted by the turmoil and uncertainty surrounding the nascent political transition, at first largely ignored the burgeoning instability. In August 2011, it deployed some 2,500 troops and 250 armored vehicles as part of Operation Eagle, the first major Egyptian military effort that ostensibly sought to stem the terrorist threat. However, it ultimately accomplished little, since the Egyptian army refused to engage the Bedouin population directly and halt the smuggling, opting instead to simply establish roadblocks and other defensive positions. Meanwhile, the chaos in the Sinai grew, and came to manifest itself in increasingly disturbing ways.
The Smuggling Industry

The smuggling industry along the Sinai-Gaza border has functioned as the underlying economic lever fueling the anarchy that has become de rigueur in the peninsula. As a headline in Yediot Ahronoth put it, “Tracking Sources of Sinai Terror, All Roads Lead to Gaza.” While the tunnels had already begun to increase in number with the departure of Israeli forces after its disengagement from Gaza, Mubarak’s ouster facilitated unprecedented growth. Not only weapons and drugs but also food, livestock, electronics, and other necessities flowed freely across the border. Allegations of Iranian weapons flowing through the tunnels began to emerge, while Libya’s civil war led to the greater availability of weapons that arms dealers could transfer from the Maghreb to the Sinai. The tunnel system, which Hamas now taxed and administered in cooperation with the Bedouin, became an enormous generator of revenue, supplying Hamas with as much as $500 to $750 million a year. It also employed some 30,000 people, who supported 150,000 dependents, or 10 percent of Gaza’s population. This remarkable growth has de facto enabled Hamas to develop a powerful strategic foothold in the Sinai. “If indeed the enclave [i.e., the Sinai] emerges as a regional center of gravity,” wrote Nicolas Pelham, “all parties hoping to establish stability in the Sinai will have to take it into account.”

The Gas Pipeline

Bedouin have repeatedly bombed the pipeline in the northern Sinai city of El Arish that transported Egyptian natural gas to Israel and Jordan. Under Mubarak, Egypt, which until recently supplied about 40 percent of Israel’s natural gas needs, had signed a gas deal with the government of Ariel Sharon in 2004 valued at some $2.5 billion over a 15-year period. But the deal was highly contentious within Egypt itself, as allegations swirled that Egyptian leaders had
used the deal to enrich themselves personally, and that the Israelis had unwarrantedly received below market prices.\textsuperscript{32} Others opposed the deal simply because it entailed boosting ties with Israel.\textsuperscript{33} Bedouin likely drew upon such popular sentiment in conceiving the attacks, hoping that their campaign against Cairo would thereby become more attractive to the Egyptian public at large. Eventually, the attacks had their intended effect. In April 2012, Egyptian energy companies announced that they had terminated agreements to provide gas to Israel – a move, as it happens, that likely dealt a greater economic blow to Egypt than to Israel.\textsuperscript{34} Indeed, in March 2013, Israel took a major step toward achieving energy independence when natural gas began flowing from the Tamar reservoir in the Mediterranean Sea to the Israeli port of Ashdod.\textsuperscript{35}

\textit{Human Trafficking}

A gruesome human trafficking and organ harvesting industry, although operational as early as 2009, gained renewed momentum after the Egyptian uprising. Refugees from Sudan, Eritrea, Somalia and other African countries seeking refuge in Israel or Europe found themselves the victims of Sinai residents who sought to derive economic gain – in the cruelest of ways – from their plight.\textsuperscript{36} Thousands of foreigners were abducted and imprisoned – and often tortured and raped – by the Bedouin, who would then demand large ransoms (often as much as $50,000) from their impoverished families in exchange for their release. In many cases, upon receipt of the ransom, the kidnappers would simply proceed to transfer the hostages to other human traffickers, who would then demand similar payments.\textsuperscript{37} As of October 2012, as many as 7,000 people experienced torture at the hands of the Bedouin, leading to some 4,000 deaths.\textsuperscript{38} Perhaps more horrifically, reports emerged of torture camps with mass graves filled with the corpses of hundreds of victims.\textsuperscript{39} Ironically, even before 2009, refugees already risked death merely to enter
the country, since Egyptian border troops would often shoot them on sight. With a comparatively more penetrable border after Mubarak’s fall, however, refugees now faced the possibility of an even grimmer fate as they moved closer to their destination.

Islamist Radicalism

From a regional perspective, perhaps the most alarming sign of Sinai’s decline lay in the proliferation of radical Islamist groups, many with links to al-Qaïda. While the precise number and size of these organizations remain unclear, the available evidence suggests that they include, in addition to Hamas and the Assembly of Monotheism and Jihad (Jamaat Al-Tawhid Wal-Jihad), such groups as Hizbollah, Supporters of Jerusalem (Ansar Bayit al Maqdis), Army of Islam (Jaish al Islam), and Anathema and Exile (Tafkir Wal Hijra). In 2012, three new groups emerged: the Mujahedeen Council of Shura in Environ of Jerusalem, Soldiers of Islamic Law (Jund al Sharia), and Supporters of Jihad (Ansar al Jihad). These groups have attracted members from across the region, including Algeria, Yemen, Libya, Somalia, Lebanon and Sudan, all of whom saw Sinai’s new security vacuum as an opportunity to pursue their radicalism without fear of state suppression. Perhaps more than any single phenomenon in the Sinai, these organizations – many of which support themselves through the smuggling and human trafficking industries – have sustained the peninsula’s reputation as a regional tinderbox in the post-Mubarak era, providing both Israeli and Egyptian security officials with the omnipresent fear that a spectacular terrorist attack may come at any moment and spur a broader crisis. As Mahmoud Mohsen, Asharq al-Awsat’s Cairo correspondent, grimly noted, Islamist radicals “want to turn the region into a battlefield and are trying to provoke Israel to attack Egypt because they want to set the region on fire.”
To attract converts to their cause, radical Islamist groups have attempted to exploit Bedouin grievances against Egypt. In July 2011, armed men attacked the El Arish police station and then issued a pamphlet entitled “Statement from al-Qaida in the Sinai Peninsula,” which included calls for instituting an Islamic emirate in the territory, abolishing the Israel-Egypt peace treaty, and ending Cairo’s discrimination against the Bedouin. “The mix of global jihadist demands,” observed terrorism expert Bruce Reidel, “with local Bedouin grievances suggested the long-repressed Bedouin population of the Sinai had been radicalized by al-Qaeda activists or at least sympathizers.” This cooptation of Bedouin causes has enabled radical organizations to establish a reliable strategic foothold in the Sinai that can elicit the support of the indigenous population without allowing the Bedouin’s provincial aims to define them. “The common wisdom is that al-Qaida has been weakened by the Arab Spring … on an ideological basis,” Lorenzo Vidino of the Centre for Security Studies at ETH Zurich told Reuters. “But I would have to concur that on a tactical level they have benefited in places like the Sinai.” The Israeli journalist Avi Issacharoff noted that the Bedouin have reciprocated the radicals’ support. “Bedouin,” he wrote, “have helped terrorist activists acclimatize in Sinai: they have taught them about the various ways to evade Egyptian security forces and, of course, they themselves have participated in Jihadist operations.”

Still, the contours of al-Qaida’s presence in the Sinai, and the precise catalyst for its emergence, remain amorphous. Without warning, radicals with no previously known ties to al-Qaida had proclaimed their allegiance to the Islamist terror group or simply presented themselves as an autochthonous part of it. For his part, Ayman al-Zawahiri, who replaced Osama bin Laden as the leader of al-Qaida, has publicly praised the attacks on the Sinai gas pipeline and called on Sinai radicals to kill Israelis. Nevertheless, formal links between al-Qaida’s central
command and the Sinai groups seem tenuous at best, and the Islamist organizations in the peninsula appear to operate on their own volition.⁴⁷ “Al-Qaida’s way of thinking is present,” said Bedouin tribal lawyer and political activist Goma Sawarka. “But the al-Qaida organization itself is not necessarily present.”⁴⁸ Middle East analyst Alex Joffé put it differently. “The great unknown is how many outsiders from al-Qaeda and other Islamist groups have taken up residence in Sinai,” he wrote. “But another great unknown is how many Sinai Bedouin have joined them.”⁴⁹ As a practical matter, of course, such groups pose a threat to Israel, Egypt and the region regardless of their origin or command structure. After all, when dozens of masked men drive through Sinai villages firing machine guns in the air and waving the black flags of al-Qaida, both Israeli and Egyptian security forces sit up and take notice.⁵⁰ At the same time, the presence of al-Qaida, or al-Qaida allies or sympathizers, in the Sinai demonstrates the ability of radical groups to exploit ungoverned space in order to pursue an ideologically extreme agenda, the difficulties Israel and Egypt face in identifying them and distinguishing their core motives, and the transnational appeal of extremist ideologies.

In a vivid articulation of the dangers presented by Sinai’s anarchy, Israeli Prime Minister Benjamin Netanyahu in April 2012 called the peninsula a new “wild west” that poses the omnipresent possibility – and periodic reality – of violence against southern Israel.⁵¹ Indeed, in one of the most serious incidents, terrorists in the Sinai staged a multipronged attack in August 2011 by infiltrating southern Israel, opening fire on a bus and other passing vehicles near Eilat, and planting bombs in the path of IDF patrols along the border. (Reports of involvement by multiple Islamist groups leave the exact perpetrator unclear, though Israel has blamed the Popular Resistance Committee (PRC).) The assault killed eight Israelis and wounded more than two dozen.⁵² This attack, and others that followed, defied easy prediction, and would sometimes
punctuate months of quiet that had produced apparently misleading calm. In April 2012, Israel’s
director of military intelligence, Maj. Gen. Aviv Kochavi, said the IDF thwarted more than 10
planned terrorist attacks from the Sinai.53 And as recently as April 17, 2013, two rockets fired
from the peninsula struck Eilat – the first attack on the city since August 2012 – and spurred the
temporary closing of Eilat’s airport.54 Israeli Lt. Col. (Ret.) Jonathan D. Halevi has argued that
many of these attacks reflect an effort on the part of Hamas and like-minded groups to open a
“jihad front” in the Sinai that leaves them immune to retaliation.55

Egypt’s Response

After the failure of its first military effort in the Sinai in 2011, Egypt, facing a
presidential election campaign in the first half of 2012, saw its leading candidates – including the
Muslim Brotherhood’s Mohammed Morsyi make obligatory visits to the peninsula to solemnly
pledge their commitment to its security.56 On August 5, 2012, that imperative assumed renewed
urgency. In an attack as ambitious as it was deadly, 35 armed men affiliated with Anathema and
Exile (Tafkir Wal Hijra) burst into an Egyptian military base near Rafah as soldiers sat down for
an iftar meal, and shot and killed 16 of them. They then stole an armored vehicle, stormed past
Israeli and Egyptian border gates, and headed toward Eilat in an apparent effort to commit yet
another attack, this time against Israelis. The Israel Defense Forces (IDF), however, eventually
managed to stop and kill them before they could achieve their goals.57 The bloodshed prompted
an enormous outcry in Egypt, making it impossible for Cairo to continue sufficing with the lip
service that had largely characterized its reactions to the Sinai turmoil to date. Accordingly,
Egypt launched Operation Sinai (some called it the next part of Operation Eagle), its second
major military campaign in the peninsula. A considerably more aggressive effort than its 2011
predecessor, Operation Sinai achieved some success in impairing Sinai’s terrorist infrastructure, featured important first steps in destroying some of the tunnels that fueled it, and indicated that Egypt harbored the ability to act decisively in the Sinai should it summon the will. At the same time, by 2013, the terrorist network in the Sinai still appeared to retain the ability to operate with relative impunity, and hundreds of smuggling tunnels remained, leaving many Egyptians and Israelis alike unsatisfied with the Morsi government’s efforts.

Both Operation Sinai and Operation Eagle also pointed to a related development of perhaps greater import. Before each campaign, Cairo explicitly asked Israel for permission to transfer more troops into the peninsula as part of the offensives – deployments that would normally be forbidden without Israeli consent under the terms of the 1979 agreement. Jerusalem, recognizing its shared interest with Cairo in pacifying the territory, granted the request, leading to the presence of Egyptian tanks in north Sinai for the first time since the treaty.58 This arrangement, and others like it, reflected the strength of broader Israel-Egypt security cooperation since 2011. In fact, Israeli security officials have stated that defense coordination between the two nations now surpasses the levels of the Mubarak era.59 Egypt’s Morsi, for his part, grudgingly acknowledged the arrangement, stating in an interview with Al Jazeera, “Even enemy states coordinate on security matters.”60

Still, Egypt’s ability to increase its troop levels upon request would come to inform Israeli considerations – and suspicions – of Egypt’s call to alter the treaty, which Cairo claimed was necessary in order to maintain order in the territory. Such wariness increased in the wake of Operation Sinai. President Morsi, apparently seeking to convey the appearance of toughness and leadership, embarked on an effort to purge high-ranking government officials with putative responsibility for the Sinai’s security. (In fact, many analysts suspected that the move actually
constituted an attempt to settle old scores with the military and thereby augment his power.)

Perhaps more notably, a growing chorus of voices both inside and outside Egypt began to make the case that any serious effort to restore stability to the Sinai must include a campaign to destroy all the Gaza tunnels – not merely the nominal several dozen of them that Cairo had dismantled thus far. Even Palestinian Authority (PA) President Mahmoud Abbas, in November 2012, added his voice to these calls – the first time he had ever publicly issued such an appeal. In February 2013, an Egyptian court ruling gave this demand the force of law by legally obligating the Egyptian government to act against the tunnels. Shortly thereafter, Cairo finally initiated a more aggressive effort, destroying about 250 tunnels in March 2013. Whether the regime will complete the campaign, however, remains to be seen. In any event, the regime’s general sluggishness and haphazard efforts in the Sinai thus far have left substantial room for doubt.

IV. Peace Interrupted: Grappling with the Israel-Egypt Treaty

As the first peace agreement between the Jewish state and one of its former enemies, the 1979 Israel-Egypt treaty constituted a watershed in the history of the Arab-Israeli conflict and, for more than 30 years, has remained emblematic of the potential opportunities for peace between Israel and all of its neighbors. At its core, it sought to convert the Sinai into a partially demilitarized buffer zone with strict limitations on the level of Egyptian troop deployments, thereby reducing – or so the treaty’s architects thought – the prospects for future conflict. The agreement’s Security Annex delineates the parameters of this requirement, with the most troops and military installations permitted in Zone A (the territory near the Suez Canal), fewer troops in Zone B (central Sinai), and only civil police with light weapons in Zone C (the area closest to Israel’s border). In Zone D, a narrow strip of land nearly 2 miles wide on the Israeli side of the
border, the treaty imposed separate limitations on Israeli military personnel. Israel and Egypt also consented to the deployment in Zone C of the Multinational Force and Observers (MFO), an international peacekeeping force tasked with monitoring the implementation of the agreement. The United States, for its part, committed itself to providing billions of dollars in military and economic aid to Cairo in the coming years, eventually making Egypt the world’s second-highest recipient (after Israel) of U.S. foreign assistance.\textsuperscript{65}

The new security arrangement in the Sinai presented each nation with its own set of anxieties. For Israel, Egypt – a state until only recently dedicated to its destruction – would now regain control over a territory it previously used as a launching pad for war. For Egypt, while the Sinai’s demilitarization in no way diminished its legal sovereignty over the territory,\textsuperscript{66} the government’s inability to freely deploy its military in the peninsula struck many Egyptians as a slight to their national honor. After Mubarak’s ouster, the instability in the Sinai led many Egyptians to argue that the treaty also undermined Egypt’s security, since it required Cairo to seek Israeli permission for any deployment of troops that exceeded the limitations of the agreement. As Mohamed Esmat Seif al-Dawla, an adviser to President Mohammed Morsi and an outspoken proponent of amending the treaty, stated, “The peace treaty doesn’t allow for the protection [of Sinai], because it disarms two thirds [of the peninsula].”\textsuperscript{67}

Perhaps more pointedly, whereas Begin formally represented the people of Israel as a result of democratic elections, Sadat represented little more than himself, leaving much of Egypt’s population without a sense of ownership in the treaty. The disconnect between the Egyptian people and their leaders would have profound consequences. With the passage of time, the treaty became increasingly unpopular in Egypt, with frequent calls for its abrogation constituting a routine feature of public discourse.\textsuperscript{68} In 2006, the Kifaya group, a leading pro-
democracy movement in Egypt, angered by Cairo’s lukewarm response to Israel’s military effort in Lebanon, launched a campaign to collect one million signatures for a petition that called for the annulment of the treaty. In August 2012, Mohammad Khalifa, writing in *Al-Khaleej* in support of the treaty’s abolishment, spoke for many Egyptians when he argued that the perils of losing U.S. aid paled in significance “to the Egyptian dignity, which can no longer take additional humiliation.” In 2012, calls to abrogate the agreement found expression in a prominent lawsuit, which the Cairo Administrative Court ultimately dismissed, arguing that only the sovereign president holds the authority and jurisdiction to make such a decision.

Indeed, with Mubarak’s fall and the rise of the Bedouin, Israel’s latent anxieties about the treaty, which had largely ebbed in the intervening 30 years of peace, and much of the Egyptian public’s opposition to it, which Mubarak had successfully repressed or ignored, now experienced renewed potency. Israel suddenly found itself on the receiving end of rocket attacks by radical Islamists, but with little room for maneuver in responding to them. Unlike terrorist attacks by Hamas in Gaza or by Hizballah in southern Lebanon, constraints imposed by the peace treaty have prevented Israel from launching military operations – by land or by air – against extremists in the Sinai. In this context, Israel’s weakness has created a “very uncomfortable situation” that “goes against the Israeli DNA,” said Brig.-Gen. Shlomo Brom of Tel Aviv University’s Institute for National Security Studies (INSS), who previously held multiple high-level posts in the IDF.

Neither Menachem Begin nor Anwar Sadat likely anticipated such developments in the Sinai, and current Israeli leaders, for their part, probably never expected that Egypt would one day request amendments to the treaty. After all, as Col. (Res.) Liron A. Libman, a former head of the IDF’s International Law Division, pointed out, “The peace treaty between Israel and Egypt has no expiration date nor does it prescribe a procedure for its cancellation by one of the
Thus, to date, the Netanyahu government has steadfastly rebuffed all Egyptian requests to discuss changes to the treaty. As then-Foreign Minister Avigdor Lieberman proclaimed, with characteristic bluntness, in September 2012, “there is no chance Israel will agree to any kind of change” to the treaty. “The Egyptians,” he added, “shouldn’t try to delude themselves or delude others and they should not rely on this demand.”\(^{74}\) Zvi Mazel, a former Israeli ambassador to Egypt, echoed his sentiments. “We should ignore calls for changes in the treaty,” he said.\(^{75}\) Whether this remains the wisest course, however, remains a subject of debate among Israeli analysts.

As a practical matter, few Israelis take at face value the stated Egyptian rationale for seeking amendments to the treaty, which has consisted of claims that Cairo needs full military control over the Sinai in order to police it effectively. After all, the treaty already includes a mechanism that enables changes in troop levels so long as Egypt first obtains permission from the Jewish state. Moreover, as Israeli journalist Evelyn Gordon noted, Egypt has yet to do all it can under the existing terms of the treaty to defeat Sinai extremists,\(^{76}\) making demands for amendments seem disingenuous. The Egyptians hardly lack awareness of their military options and capabilities under the treaty: They requested, and received, permission from Israel to deploy more troops on several occasions since 2011. Many Israelis therefore suspect that the request reflects a more sinister motive: to chip away at the agreement piece by piece in order to eventually abrogate it entirely. If in fact the Egyptian government harbors such an objective, then the Israeli government’s outright and unyielding rejection of Cairo’s request for treaty amendments would appear to be sound policy.

However, a number of strategic considerations may complicate this analysis. First, whatever the Muslim Brotherhood’s ideological disposition toward the Jewish state, the IDF
believes that Egypt’s military capacities remain vastly inferior to Israel’s and would suffer almost certain defeat in any confrontation. Second, the Brotherhood faces a deteriorating economy as well as growing challenges to its rule, making the prospect of a military adventure to its north – assuming it even had the ability to wage it – rank somewhere near the bottom of its immediate list of priorities. Put differently, Egypt at present opposes conflict with Israel for at least one of the same reasons it lacks the will to act in the Sinai: The problems closer to home are far more pressing. Third, the Brotherhood has already demonstrated that realpolitik often trumps ideological imperatives. Cairo’s key role in negotiating a cease-fire between Israel and the Palestinians in late 2012 and its willingness to undermine Hamas’ smuggling operations in recent months are important examples of this inclination. Similarly, its decision even to uphold the treaty thus far – in defiance of expectations both in Egypt and across the region\textsuperscript{77} – demonstrates recognition of its own self-interest, at least in the near term. Fourth, any move to abrogate the peace treaty would immediately jeopardize the flow of $1.55 billion in annual U.S. aid, which Cairo desperately needs to maintain its military and its economy. Accordingly, in light of Egypt’s apparent willingness to compromise its ideology in order to promote its interests in comparatively lesser matters, the Brotherhood’s wholesale annulment of the treaty seems highly unlikely. In this sense, as Maj. (Res.) Aviv Oreg, founder and general manager of Civil Effort in Fighting International Terrorism (CeifiT), an Israeli think tank, argued, the Brotherhood’s rise to power may, in the long run, positively impact Israel-Egypt relations, since it has forced the movement to face reality and recognize that the imperatives of running a country require it to moderate, or at least defer, the immediate demands of its ideology.\textsuperscript{78}

Under these circumstances, some Israeli analysts have urged the Netanyahu government to adopt a different course of action: Call Egypt’s bluff and begin talks with Morsi’s government
about amending the treaty. Such a move would serve Israel’s interest by forcing the Muslim Brotherhood – and, by extension, the Egyptian people that elected it – to become invested in the treaty’s actual survival. By signing an amended version of the agreement, the Brotherhood – and not only Sadat – would de facto place its seal of approval on the 1979 document and affirm the wisdom of Mubarak’s predecessor. As a result, any future attempt by the current Egyptian government or its successors to distance themselves from the treaty would become far more difficult. Brom, a proponent of this approach, criticized Netanyahu for his failure to consider it, calling the prime minister’s thinking about Egypt “very rigid” and indicative of a mindset that views Israel’s relationship with Cairo as a “zero-sum game.”

Should Israel pursue this option, it could articulate red lines that would limit the potential threat that greater Egyptian military control over the Sinai may pose. For instance, Israel could formalize a moderate increase in Egyptian troop levels that would enable them to combat terrorism – or at least project the appearance of sovereignty, be it in reality or in facsimile – more effectively. It could negotiate benchmarks with Cairo that would govern the parameters of any potential military intervention, and delineate areas of mutual interest and concern. It could draft protocols for operational procedures in emergency situations, thus ensuring that the two countries do not respond to crises on an ad hoc basis. And it could force Israel and Egypt to engage in open and direct dialogue with one another on a political level, not only a military level.

Daniel Kurtzer, a former U.S. ambassador to Egypt and to Israel, expressed a variation of this approach that would address some of the underlying flaws of its other iterations. Rather than negotiate actual alterations in the treaty’s language, said Kurtzer, the two countries could seek to provide clearer definitions of existing clauses regarding troop levels and the parameters of their deployment. As the ambassador explained, “When it [i.e., the treaty] says no Egyptian military
forces in Zone C and limited forces in [Zone] B, how do you define forces? Are there counterterrorism units that have more of a police role but happen to be in the army that by a separate protocol might be acceptable to Israel to deploy as opposed to tanks and artillery? Engaging the treaty in this way, said Kurtzer, would be “smarter” than the alternatives, because it would resolve the two countries’ dispute while also addressing Israel’s anxiety about altering the treaty’s language.

On whatever terms, an Israeli effort to negotiate changes to the treaty with Egypt bears an ostensibly appealing strategic logic that would, if properly executed, transform the dilemma over the Sinai into a potential opportunity. Nonetheless, it may harbor its own set of risks. A recent simulation conducted by Tel Aviv University’s INSS, which imagined how Jerusalem, Cairo and other actors would respond to a series of attacks, or reports of planned attacks, from the Sinai against both Israelis and Egyptians, highlighted the potential stumbling blocks. As the INSS report on the simulation noted, “Opening or amending the treaty is a more complex process than one would think.”

Israel and Egypt maintain their own set of expectations and goals in the Sinai that overlap in part but differ in certain crucial respects. Whereas Israel’s interest in the Sinai constitutes primarily a security matter, Egypt’s interest also consists of sensitivities over national pride and the Sinai’s status as an unwanted concession to a (former) enemy state. In negotiations, the two sides may find their respective positions lie further apart than they realized. Cairo may insist on a level of military freedom in the peninsula that Israel would not or could not accept. Moreover, the mere beginning of talks between the two countries may arouse intense public opposition within Egypt to any compromise on the Sinai or even to the peace agreement itself, leading the regime to harden its stances or simply to withdraw from the negotiations. Under these circumstances, failed talks may prove worse than no talks at all, and could lead to a
further deterioration of Israel-Egypt relations and an increase of violence and instability in the Sinai.

In the event that the two sides can settle their differences, another weighty obstacle may remain, and that is Egypt itself. In interviews in January and February of 2013, Israeli analysts frequently described Egypt as a “failed” or “failing” state, and the country’s problems have arguably grown worse since then. While the Brotherhood may have achieved power through a democratic process, its popularity among the Egyptian public has plummeted as a result of its poor handling of the economy and its unwelcome power grabs. Until the Brotherhood regains a significant measure of public support and takes significant steps to solve the nation’s problems, the government’s future – and that of Egypt itself – remains in doubt. As a practical matter, then, attempting to renegotiate a 35-year-old peace treaty with an unstable regime that presides over an even more unstable country may be foolhardy. Faced with a daily struggle for survival, the Egyptian government may lack the will or ability to engage with Israel effectively, and the possibility of its imminent or eventual downfall may endow any effort with too much uncertainty to succeed. Alternatively, even if the country’s internal travails improve and Cairo can focus its attention elsewhere, its posture toward Israel may eventually change for the worse. Yaakov Lappin, who covers military and national security affairs for *The Jerusalem Post*, argued that such a shift may lead Israel to regret negotiating changes to the treaty, and called Brom’s approach “interesting” but “nonviable”:

In my view, too little is known about the future policies that a Muslim Brotherhood-led Egypt may adopt towards Israel to take the risk of changing the peace accords. If, for example, the treaty is changed, and a future Muslim Brotherhood-led [sic] government is allowed to inject tanks and infantry into the Sinai region, before gradually worsening relations with Israel and ultimately cutting them completely, that would mean that the Sinai buffer zone, as envisaged in the 1979 peace treaty, would vanish, and hostile Egyptian forces would be right on Israel’s border….
But making permanent changes to the treaty, when so much is uncertain about the future of Egyptian-Israeli relations, would be irresponsible in my view, and the long-term risks would outweigh the short-term benefits.\textsuperscript{83}

\textbf{V. Is the Treaty’s Collapse Inevitable? Talking Back to the Worst-Case Scenario}

The INSS simulation constitutes a variation of a common projected scenario that Israeli analysts frequently raise as they consider the Sinai predicament. What if, they ask, the threat along Israel’s southern border becomes so intolerable that only an IDF invasion of the Sinai presents the sole opportunity to restore stability? What if, as Egyptian journalist Sakina Fouad put it, the Sinai amounts to “a ticking time bomb waiting to explode”?\textsuperscript{84} In its most basic form, a chain of events that would produce such a development seems fairly simple to imagine. In one scenario, terrorist groups in north Sinai fire a rocket that lands on a preschool in Eilat, killing scores of children and spurring an outraged Israeli public to demand immediate and decisive military action. In another scenario, the Israeli government receives intelligence indicating that terrorists are planning a massive attack in southern Israel, with the Egyptian government unwilling or unable to stop it. In both cases, Israeli leaders, concluding that they have no choice, deploy a ground force into the Sinai to root out the threat. Egypt, viewing such an invasion as an unacceptable breach of its sovereignty and an unambiguous violation of the treaty, chooses to respond by abrogating the treaty in its entirety, leading to a rupture in Israel-Egypt relations and fomenting further instability across the region. What happens next would be both grim and unpredictable.

These scenarios are hardly implausible or paranoid, and have aroused fears in both countries about the potential for conflict. In fact, a study by Israeli researchers of Egyptian social networks and media found that Egyptians widely expect conflict:
The prevailing view is that confrontation between Israel and Egypt is almost unavoidable, even though neither party wishes it, both because of the expected change in Egyptian policy towards Hamas and as a result of Egyptian helplessness in dealing with the challenges of government, terrorism, and crime in Sinai, as well as the current paralysis in the peace process between Israel and the Palestinians, where there is currently “no peace, no muqawama (resistance), and no war.”

The Jewish state, for its part, has taken a series of steps to reduce the likelihood of confrontation and weaken the sting of potential triggers that could spur it. In early 2013, Israel completed the main section of a $416 million fence along the Sinai border, complete with barbed wire, surveillance cameras and radar. The Air Force has deployed Iron Dome missile defense batteries, developed in part with U.S. funding, in southern Israel to protect citizens from incoming rocket fire. And the IDF’s Southern Command has created a new brigade charged with defending Eilat and surrounding areas. These steps, among others, aim to supply Israel with a layer of protection that can detect and defeat threats as they emerge, thus preventing a wider conflagration and potentially averting the kind of trigger event that could lead to a wider, more intractable disaster.

Still, despite the gravity of the worst-case scenarios, they are hardly inevitable, and they do not exhaust the full range of policy options that Israel may exercise or should exercise in the wake of a catastrophic terror attack. In fact, several factors militate for a more optimistic outlook. First, despite occasional bluster from the Netanyahu government, the Jewish state actually remains loathe to undertake any operation in the Sinai. This reluctance has a precedent. In November 2012, despite widespread public support for an IDF ground invasion of Gaza in response to hundreds of rocket attacks by Hamas, Netanyahu ultimately exercised restraint and opted for a cease-fire. The central reasons were clear: If Israel invaded, it would lack both an exit strategy and clear metrics of success. By the same token, depending on the severity of the Sinai
threat, Netanyahu may opt for restraint in the Sinai in order to avoid a wider eruption of conflict and a never-ending quagmire.

Second, Cairo knows that any move to abrogate the treaty or directly attack Israel would likely result in the termination of U.S. aid to Egypt and a crisis in U.S.-Egypt relations. If Egypt’s economy and political system remain as dysfunctional as they are now, Cairo may decide that its relationship with the United States supersedes its political and ideological goals in the Sinai. Third, Egypt’s Supreme Council of the Armed Forces (SCAF) lacks the stomach for any kind of conflict against Israel, at least for the time being, and may oppose an unlikely move on Morsi’s part to engage in hostilities. Fourth, Egyptian opposition to an Israeli military response would effectively strengthen Hamas and other radical forces in the Sinai that seek to harm both Jerusalem and Cairo, thus undermining the interests of both countries. Fifth, Israel may face strong pressure from the United States, whether publicly or privately, to avoid any military escalation. The Netanyahu government, eager to avoid another diplomatic row with the Obama administration, may ultimately decide that preserving its relationship with the United States constitutes a more pressing interest than embarking on a military adventure in the Sinai that presents no guarantees of success. Sixth, Egypt may find itself so distracted by its internal problems that it would lack any inclination to refocus its attention on the Sinai.

Seventh, and perhaps most importantly, both Israel and Egypt share the goal of stabilizing the Sinai, and would face enormous risks – both military and political – should they choose to escalate the crisis by taking the bait planted by the other side’s poor decisions. This unlikely confluence of interests may serve to blunt initial impulses on the part of both nations to jeopardize the treaty’s solvency either by engaging in unilateral military action or by overreacting to the missteps of the other country. Still, in this context, the quality of Cairo’s
response to any attack on Israel from the Sinai may play a crucial role in determining Jerusalem’s willingness to react with force. Kurtzer noted that Israeli deliberations may resemble its calculations in reacting to Palestinian suicide bombings in the early 2000s:

Look, I was there throughout the [second] intifada and the word you kept hearing from [then-Israeli Prime Minister Ariel] Sharon on down was, ‘If we see the effort, we’ll understand the pain.’ But they weren’t seeing any effort. So if the Palestinian Authority had tried to do something to stop suicide bombing but was not successful because of their incapacities, Israel’s responses would have been commensurately more guarded. But when they weren’t doing anything to stop it, Israel felt it had to act unilaterally.90

At the same time, past experience and the imperatives of shared interests do not guarantee future behavior. States often do not act in their own self-interest, and governments sometimes behave in unexpected ways in the heat of crisis. Moreover, should the Morsi government fall, a host of new strategic considerations may emerge that render the above analysis irrelevant. Nevertheless, efforts to anticipate Egypt’s and Israel’s response to a worst-case scenario suggest that catastrophic escalation hardly amounts to a foregone conclusion, and that the two parties also harbor other interests that may preclude military action and prompt some degree of cooperation – or at least cold but nonviolent distance. In a certain sense, the danger that the Sinai poses to the treaty may, ironically, be precisely what saves it, crystallizing for both sides their shared stake in its survival.

VI. “Israel’s Achilles’ Heel”: Action amid Uncertainty

The daunting challenges posed by developments in the Sinai leave Israel in a hazardous position with few good options. Jerusalem plays a primarily reactive role to events in the peninsula, lacks the ability to directly influence events in the Sinai proper, and remains bereft of any meaningful dialogue with Egypt’s political echelon that might produce a mutually satisfying long-term modus vivendi. Egypt, on the other hand, maintains the ability to operate in the Sinai
and influence facts on the ground largely as it pleases, notwithstanding the treaty’s limitations. At the same time, the regime faces so many other crises that the Sinai constitutes only one item on a list of priorities that will likely only continue to grow in the coming months and years. The United States holds a singular trump card – military and economic aid – that strongly impacts Egypt’s calculations, but Washington thus far has focused more attention on Egypt’s other problems, not to mention several longstanding regional issues, including the Israeli-Palestinian conflict, Syria’s civil war and the gradual U.S. withdrawal from Afghanistan. The Obama administration, in this context, would only threaten aid to Egypt should it engage in behavior that proves especially disastrous (such as a total abrogation of the treaty), leaving the United States with softer, more limited means of influence in the median term.

At the same time, many Israelis have come to regard the United States – accurately or not – as a superpower in decline that cannot or will not exert a vigorous and decisive influence in the Middle East in the long term. They view the U.S. withdrawal from Iraq and Afghanistan, its willingness to negotiate with Tehran without articulating public red lines on the regime’s nuclear program, its reluctance to intervene in Syria’s civil war, and its outreach to the Muslim world as signs of weakness that embolden Israel’s enemies and undermines the credibility of its threats. For Israel, this perceived diminution of U.S. power comes as the Jewish state feels increasingly besieged. In addition to the instability in Israel’s south, Hamas in Gaza and Hizballah in southern Lebanon boast a combined total of 65,000 rockets that harbor the sole purpose of targeting the Jewish state. To the east, the king of Jordan – and, by extension, the peace treaty Amman signed with Israel in 1994 – lies in a precarious position as he faces growing challenges to his rule. With these threats on each of its borders and the deepening uncertainty presented by the Arab
uprisings across the region, Israel sees itself as increasingly isolated – and unwilling to rely wholly on others, even its closest ally, to resolve major security threats.

In fact, many Israeli analysts have come to view the Sinai as a mirror image of other states in the region that, due to the absence of effective governing authority, serve as a magnet for terrorist groups from neighboring countries. Such territories as Afghanistan, Yemen, Mali, southern Lebanon, the tribal areas of Pakistan, and now the Sinai threaten both themselves and their neighbors not only due to the objectives of the terrorist groups that reside there, but because the putative authorities tasked with providing order have abdicated their responsibilities. As Oreg put it, “Al-Qaida thinks Sinai is a good alternative to Afghanistan.”91 In one dramatic metaphor, one former IDF official I interviewed compared the terrorist groups that infiltrate these territories to a “virus” that takes advantage of its host’s weak defenses in order to wreak havoc.92 From an Israeli perspective, this virus has transformed the Sinai into a malignant centripetal force that has attracted the region’s worst actors – or refugees from them – to create a particularly toxic, and contagious, stew. To varying degrees, actors in Iran, Syria, Lebanon, Libya, Sudan, Eritrea, Jordan, Algeria, Yemen, and Sudan have played a key role in fueling this phenomenon, making the region suddenly seem a larger, more geographically diaphanous place.

This view of the Sinai has heightened Israel’s sense of frustration at its predicament: By virtue of its own political commitments 35 years ago that do not apply in such territories as Gaza and southern Lebanon, the Jewish state experiences profound limitations in its ability to maneuver at its southern border. To some degree, Israel has sought to compensate for its reduced capabilities by pursuing targets outside the peninsula that may influence terrorist activities inside it. In March 2012, for example, Israel killed two PRC operatives in Gaza that, according to the IDF, planned to launch attacks against Israel from the Sinai.93 In October of the same year,
Israel’s air force bombed a munitions factory in Sudan, which Jerusalem believed was a conduit for weapons smuggled to Gaza.\textsuperscript{94} Still, terrorists target Israel from the Sinai precisely because they know that Israel remains less likely to respond forcefully, leading Lappin to ask in a \textit{Jerusalem Post} headline, “Is Sinai Israel’s Achilles’ heel?”\textsuperscript{95} In this context, the improbability of a conventional military conflict between Israel and Egypt hardly presents much comfort. An attack on Israel from the Sinai may lead to an escalation in Gaza if Israel locates its perpetrators or sponsors in the coastal plain. If Hizballah operatives claim responsibility, tensions may rise on Israel’s northern flank. By the same token, Iranian weaponry transferred through the Sinai enflames an already taut relationship between Jerusalem and Tehran, and provides an avenue for Iranian attack should tensions escalate over the nuclear program. The presence of multiple foreign terrorist operations in the Sinai, with their own distinct agendas and their hostility toward Israel and the West, presents an additional layer of uncertainty.

These regional dynamics lie at the forefront of Israeli calculations as they consider policy toward Egypt and the Sinai. The Arab uprisings and its attendant consequences have challenged traditional Israeli security doctrines and, quite understandably, have left the Jewish state clinging to remnants of the old order. In the case of the Israel-Egypt peace treaty, the Netanyahu government’s insistent rebuff of Cairo’s request for amendments reflects an awareness of its status as a document that facilitates, or facilitated, a secure border that kept the Egyptian military – at one point considered the only meaningful threat to Israel’s south – at bay. Now that non-state actors have replaced the Egyptian military as Israel’s primary concern in the Sinai, Jerusalem seeks to avert further erosion in its security architecture. Suggesting that the treaty remains up for discussion would, in the view of the Netanyahu government and many Israelis, undermine that goal.
VII. Policy Recommendations

More than any single political actor, the United States harbors the ability to influence Egypt, Israel and the Sinai. In the short term, of course, the realities of Egyptian politics will constrain America’s ability to exert the kind of impact that would produce broadly focused, long-lasting change. Egypt’s government remains distracted by a host of problems closer to home that would likely curb its inclination and ability to take far-reaching steps in the Sinai. As a result, the Obama administration must operate carefully, deliberately and with modest expectations. Mindful of the instability and uncertainty that surround Egypt’s future, the United States should begin to lay the groundwork for a more robust effort to effect real change in the Sinai and in Israel-Egypt relations. America should make clear to Cairo that its efforts in the Sinai thus far do not constitute an effective long-term strategy, and that the turmoil in the peninsula, if left unchecked, may spawn a greater crisis in the future that makes the peninsula’s current problems seem minuscule by comparison. If the Muslim Brotherhood-led government ultimately proves immune to the Obama administration’s pressure and appeals, America should still publicly and privately put itself on record – and send a strong message to the Brotherhood’s potential successors – that this issue constitutes a U.S. priority and a key interest for Egypt, Israel and regional stability.

1. The treaty. In light of Israel’s regional position, Egypt’s own internal turmoil, and the difficulties and ambiguities that would surround any effort to modify the treaty, Jerusalem has a compelling case for insisting on the status quo. The United States should support Israel’s position and make clear to Cairo both publicly and privately that amending the treaty constitutes a non-starter. However, should Egypt’s internal travails and Israel’s regional challenges reach a tolerable level of stasis, and if Israel concomitantly feels confident that Cairo has taken
substantial steps to stabilize the Sinai and that it remains committed to a long-term peace with the Jewish state even without amendments to the agreement, Jerusalem should consider opening a dialogue with Egypt on the treaty. Such a move may enable Israel to extract political or ideological concessions from Cairo that would improve their bilateral relationship and constrain extremist groups in the Sinai, particularly Hamas. At the same time, all parties should recognize that arriving at a permanent settlement vis-à-vis the treaty constitutes only a means to an end, not an end in itself. Ultimately, Egypt’s will and ability to act in the Sinai, and its willingness to work with Israel on a military and political level, amount to the only way to guarantee a stable, peaceful future in the peninsula.

2. The Sinai. The United States should strongly urge Egypt to assert its authority over the Sinai, and should reject Egyptian claims that the peace treaty hinders its ability to proceed. Similarly, the Obama administration should make clear to Egypt that Israel’s refusal to negotiate the treaty does not constitute an excuse for inaction. In fact, U.S. officials should argue that Egypt’s assertion of control over the Sinai in a responsible manner may be the best way to persuade Israel that it can trust Egypt to deploy increased troop numbers in the peninsula on a permanent basis.

Part of this task will require the destruction of the tunnels that fuel extremism in both Gaza and Sinai, and that provide Bedouin and Palestinians alike with a crucial economic lifeline. Working in consultation with Israel, Egypt will need to initiate a gradual process that ensures the termination of lethal transfers but that simultaneously averts the instability that would result on both sides of the border as a result of a total economic cutoff. To achieve this goal, the Egyptian regime will need to initiate a serious effort at rapprochement with the Bedouin, and invest in development projects that can provide an economic alternative to the efforts of the extremists.⁹⁶
It must also make a serious effort to integrate the Bedouin into the nation’s political life. By doing so, the government would directly address the problems that led, at least in part, to the growth of terrorist groups in the peninsula and their ability to elicit the support of the indigenous population.

3. **U.S. aid.** U.S. aid to Egypt may constitute the single most important tool in its diplomatic arsenal, and Washington should wield it carefully. The United States should continue to make clear to Egypt that any move to abolish the treaty would result in the immediate abolishment of all aid, both military and economic. At the same time, the United States has not yet targeted its assistance in a way that would prove most beneficial both to its own interests and to Egypt’s. The United States should insist that Egypt use part of the aid to invest in development projects in the Sinai. As Lappin noted, though, the United States would have to undertake these efforts quietly, as overt U.S. involvement may discredit the initiative in the eyes of much of the Egyptian public.97

4. **Dialogue.** The United States should encourage Egypt to begin a political dialogue with Israel. As one journalist in Israel who covers Egypt and the Sinai told me, President Morsi wants to have a relationship with Israel that in no way requires him to meet with any Israeli officials. As a symptom of this problem, wrote Libman, Morsi – like the leaders of Iran – refuses to call Israel “by its self-determined and internationally recognized name,” which constitutes “an extreme manifestation of non-recognition.”98 The United States should make clear that such an approach is unacceptable. Military and intelligence cooperation, though critical, is insufficient. Such dialogue can begin with low-level officials and gradually move to high-level leaders. The Muslim Brotherhood cannot plausibly argue for an amended peace treaty but simultaneously refuse to discuss any other matter with Israeli leaders.
Notes


8. Interview with Khairi Abaza, April 2, 2013.


16. Ibid.


22. Other analysts, such as Israeli defense reporter Arie Egozi, have put the matter more starkly: “You really do have to be a complete idiot it choose Sinai as your holiday destination.” See Arie Egozi, “The UAV War of the Jews,” *Israel Defense*, August 5, 2012, http://www.israeldefense.com/?CategoryID=483&ArticleID=1526.


28 Nicolas Pelham, “Gaza’s Tunnel Phenomenon: The Unintended Dynamics of Israel’s Siege.”
29 Ibid.
47 Bruce Reidel, “Al-Qaeda Grows in Sinai.”
72 Interview with Shlomo Brom, January 29, 2013.
75 Interview with Zvi Mazel, February 1, 2013.
76 Interview with Evelyn Gordon, January 30, 2013.
78 Interview with Avi Oreg, January 29, 2013.
79 Interview with Shlomo Brom, January 29, 2013.
80 Interview with Daniel Kurtzer, April 17, 2013.
81 Interview with Daniel Kurtzer, April 17, 2013.
83 Yaakov Lappin, e-mail message to author, February 2, 2013.
90 Interview with Daniel Kurtzer, April 17, 2013.
91 Interview with Avi Oreg, January 29, 2013.
92 Interview with former Israeli official, January 2013.


Yaakov Lappin, e-mail message to author, February 2, 2013.


---. *Sinai Perils: Risks to Migrants, Refugees, and Asylum Seekers in Egypt and Israel.*  
November 2008.  

IDF Blog. “Terrorist Squad Responsible for Planning Terror Attacks from Sinai Targeted.”  


VIII. List of Interviews

My deepest thanks to the people listed below and to the individuals who spoke with me on an off-the-record basis. All were generous with their time, insights and suggestions for further research. I could not have completed this project without them.

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Brig. Gen. (Ret.) Shlomo Brom (Institute for National Security Studies, Tel Aviv University)

Ehud Eilam (Israel Defense Magazine)

Zack Gold (Brookings)

Evelyn Gordon (The Jerusalem Post)

Daniel Kurtzer (Former U.S. Ambassador to Israel and Egypt)

Yaakov Lapin (The Jerusalem Post)

Col. (Res.) Liron Libman (Former Head of the IDF’s International Law Department)

Zvi Mazel (Jerusalem Center for Public Affairs, Former Israeli Ambassador to Egypt)

Paul Rivlin (Moshe Dayan Center for Middle Eastern and African Studies, Tel Aviv University)

Maj. (Res.) Aviv Oreg (Founder and General Manager, Civil Effort in Fighting International Terrorism)

Matti Steinberg (Former Senior Adviser to Multiple Israeli Security Chiefs)

Eric Trager (Washington Institute for Near East Policy)

Aaron Zelin (Washington Institute for Near East Policy)