



Welcome to the New Normal: Israel and Turkey's Turbulent Relations in the Post-Reconciliation Era

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In June 2016, Israeli and Turkish negotiators announced that they had reached the terms of a reconciliation agreement that would end six years of downgraded diplomatic ties between their respective countries. The agreement stipulated that Israel would pay \$20 million in compensation to the families of the Mavi Marmara victims and permit Turkey to set up infrastructure projects in Gaza via Israel's Ashdod port (Turkey waived its earlier demand that Israel remove its blockade of the Gaza Strip). In exchange, Turkey committed to passing a parliamentary law that would prevent legal action against the IDF personnel involved in the 2010 raid of the Mavi Marmara, vowed that Hamas would not carry out any terrorist or military activity against Israel from Turkish territory, and promised to seek the return of two Israeli citizens and the remains of two soldiers held in Gaza by Hamas. Finally, the parties agreed to a process that would allow for full diplomatic normalization and an exchange of ambassadors.

Beyond the terms articulated in the terms of the agreement, normalization between the countries also appeared to be making strides. From Israel's perspective, one of the most significant byproducts of reconciliation was that Turkey dropped its veto of increased Israeli participation in NATO, including the opening of permanent offices in Brussels. This period also witnessed a series of bilateral ministerial meetings, an uptick in tourism both by Israeli and Turkish travelers, negotiations over potential energy cooperation, and a one-on-one interview between an Israeli journalist and President Erdogan.

Unlike many diplomatic agreements, Israel and Turkey's did not include the traditional meeting of heads of state. One may have been in the works, however several weeks later an attempted putsch by elements within Turkey's military ranks altered the priorities in Ankara. Even if a large public event with both Prime Minister Benjamin Netanyahu and President Recep Tayyip Erdogan was ever seriously considered, it quickly took a backseat and was eventually forgotten.

Since the signing the reconciliation agreement, Israel-Turkey bilateral relations can be partitioned into two phases. The initial year was defined by relatively error-free normalization – highlighted by the exchange of ambassadors in December 2017 - but due to a series of disagreements over Israeli policies in Jerusalem and the Gaza Strip diplomatic ties were de facto downgraded once again in May 2018. This paper identifies some of the major lessons that can be drawn from this period:

- The constant of the Israel-Turkey relationship remains and for the foreseeable future will continue to be the ebb and flow of the Israeli-Palestinian conflict, more specifically the unstable situation in the Gaza Strip.

* Gabriel Mitchell is Policy Fellow at Mitvim - The Israeli Institute for Regional Foreign Policies and a PhD candidate at Virginia Tech University. This paper is published in cooperation with Friedrich-Ebert-Stiftung.

- As opposed to the pre-reconciliation years, where Israeli officials leaned towards ignoring the critique of their Turkish counterparts, there has been an increase in verbal sparring since the deal was struck. Under such conditions, diplomats are hamstrung in their ability to facilitate a complete normalization process.
- Many of the reasons cited by Israeli officials in 2016 to legitimize the reconciliation process have not materialized, specifically, the prospect of future energy cooperation.
- The current Israeli and Turkish governments are not actively improving their bilateral relationship, but neither side wishes for their diplomatic disputes to negatively impact the commercial partnership.

Looking at patterns since the infamous Davos outburst of 2009,¹ the aforementioned points will likely serve as the framework of the Israel-Turkey ties in the years to come - and almost certainly as long as Erdoğan dictates Turkish foreign policy. Israel's government must adapt to this new normal to in order to both maximize the potential relationship while also avoiding its pitfalls.

From Gaza to Jerusalem

As has been the case throughout the history of Israel-Turkey relations, diplomatic friction has almost always been caused by tensions between Israel and the Palestinians (or more broadly between Israel and the Arab/Muslim world). This trend preceded the arrival of Erdoğan onto the Turkish political scene, and barring an unanticipated shift in the peace process will continue after he exits that stage. In the two years following the June 2016 reconciliation agreement, relations between Israel and Turkey were no different. Once again, dynamics between Israel and the Palestinians – specifically relating to Gaza and Jerusalem – dictated the tone between officials in Ankara and Jerusalem.

The early warning signs could be spotted in May 2017, during the opening ceremony of the International Forum on al-Quds Waqf in Istanbul. In his address to the crowd, Erdoğan [challenged](#) the Knesset's (then preliminary) approval of a bill restricting early morning Muslim calls to prayer, Israel's blockade on the Gaza Strip, and the discussion by the Trump administration to move the US embassy from Tel Aviv to Jerusalem. Erdoğan called on Muslims to show their solidarity against Israel's "racist and discriminatory" policies by marching to the Temple Mount/al-Aqsa Mosque. Israel's Ministry of Foreign Affairs, as well as Jerusalem mayor [Nir Barkat](#), issued speedy rebuttals.

A similar exchange occurred in July 2017, when Erdoğan interjected into the debate surrounding the installation of metal detectors at the Temple Mount/al-Aqsa compound as a precautionary security measure following a terror attack committed by three Israeli Arabs at the religious site. While other international leaders voiced their concerns over the Israeli decision (which was ultimately overturned), [Erdoğan took matters one step further](#), arguing that "The Israeli government want to destroy the Islamic character of Jerusalem." In response, [the Prime Minister's office quipped](#), "It would be interesting to see what Erdoğan would say to the residents of northern Cyprus or to the Kurds. Erdoğan is the last person who can preach to Israel." Netanyahu's support for an Iraqi [Kurdistan independence](#) referendum in late September 2017 similarly irked Turkish officials.

¹ When then-Turkish Prime Minister Recep Tayyip Erdoğan castigated former Israeli President Shimon Peres at the World Economic Forum for perceived injustices committed by the Israeli military during Operation Cast Lead in the Gaza Strip.

Turkish frustration boiled over when the Trump administration followed through on its campaign promise to relocate the US embassy to Jerusalem. Hosting the Organization of Islamic Cooperation emergency summit in late 2017, [Erdoğan castigated the US](#) for the decision and called Israel a “terror state”. Adding fuel onto the fire, the embassy move coincided with a series of organized weekly marches along the Gaza-Israel border that resulted in numerous Palestinian casualties. A Turkish offer to [airlift injured Palestinians](#) from Gaza for medical treatment was rebuffed by Israel. On May 14, 2018, the same day that the embassy relocation ceremony was being held, Turkey announced that it would be returning its ambassadors from Washington, D.C. and Tel Aviv.²

Erdoğan fired off a [series of English-language tweets](#) (uncommon for him) that challenged Netanyahu’s morality and expressed support for the Palestinian people. Netanyahu [responded](#), “Erdoğan is among Hamas’ biggest supporters and there is no doubt that he understands terrorism and slaughter. I suggest that he not preach morality to us.” The following day, Ankara ordered Israel’s ambassador Eitan Na’eh to leave the country, only to then [humiliate the envoy](#) by inviting camera crews into Ataturk International Airport to film him during his security check-in. For most observers, the episode was eerily reminiscent of Danny Ayalon’s 2010 [attempt to publicly shame](#) former Turkish ambassador Oğuz Çelikkol after the airing of a controversial Turkish TV series that depicted Israeli soldiers as murders.

In response, Israel called Turkey’s charge d’affairs into the Foreign Ministry offices for a formal condemnation of Na’eh’s treatment, and then later [expelled Turkey’s Consul-General in Jerusalem](#), Hüsnü Gürcan Türkoğlu. The Consul-General’s dismissal was no coincidence, as Turkey’s consular offices serve as the representative body both within the city of Jerusalem and to the Palestinian Authority. Removing Türkoğlu handcuffed Turkey’s ability to operate in the capital city. Not to be outdone in the spiraling tit-for-tat, Turkey dismissed Israel’s Consul-General in Istanbul.

It is simplistic to argue that, much like in previous election cycles, Erdoğan’s employment of anti-Israel rhetoric was designed merely to fire up his political base. For one thing, Turkey’s position regarding Jerusalem has remained consistent, and officials warned of the potential diplomatic fallout surrounding the US embassy decision for months. Turkish involvement on matters pertaining to Jerusalem is not merely rhetorical. Since the reconciliation agreement was signed, there has been an uptick in [Turkish activity in East Jerusalem](#), including the funding of Islamic organizations and the growth of a small, but vocal tourism industry that emphasizes public demonstrations in the Old City and around the Temple Mount/al-Aqsa compound.

The NGO Mirasımız, for example, provides food and clothing donations in East Jerusalem neighborhoods, restores Ottoman era buildings, and offers tours of al-Aqsa. On Mirasımız’s [website](#), there are clear advertisements of the organization’s activities, includes photographs that identify the organization as proudly affiliated with the Muslim Brotherhood. As reported in Ha’aretz, [Turkey’s presence in East Jerusalem does not only concern Israel](#) but also several of its neighbors, including Jordan, Saudi Arabia, and the Palestinian Authority, and

² Although the Turkish government’s decision to remove its ambassador from the US was based on the Trump administration’s relocation of its embassy from Tel Aviv to Jerusalem, it cited the violence along the Israel-Gaza border when explaining its decision to remove its ambassador from Israel. Given the timing of the events, it is more than probable that both events played a factor in the Turkish government’s decision. Turkey’s envoy to Washington, D.C. returned to his post by late May 2018.

fits within a broader pattern where Turkey's support for the Muslim Brotherhood and its affiliates pits it against other actors in the Sunni world.

Erdoğan's adoption of an antagonistic Israel policy in 2009 caught Israeli officials off guard, and as a result Jerusalem's reaction was both flawed and disorganized. Between the infamous Davos affair and the signing of the reconciliation agreement in 2016, Israeli officials – by and large – refrained from engaging in verbal exchanges with their Turkish counterparts in the hopes of avoiding further damage to diplomatic ties. However, post-normalization policy reflects a new, more combative attitude, which includes legislative attempts to recognize the Armenian genocide and public support for Kurdish independence efforts. It is possible that Israeli officials believe that only a strong counter response will force Erdoğan to reconsider his approach, though there is little evidence to suggest this strategy has worked.

What is far more likely is that the Israeli government's new tactics are a byproduct of the changing domestic political landscape. Netanyahu's main rival, Yesh Atid party chair Yair Lapid, has increasingly vocalized his critique of the Israel-Turkey reconciliation deal, perhaps in an attempt to flank the sitting premier on a once-heated public issue. Lapid has gone as far as to suggest a variety of policies designed to distinguish his foreign policy vision from those of Netanyahu, including Israeli recognition of the Armenian genocide, providing greater assistance to the Kurds, and canning all discussion of future energy cooperation. Criticism of Israel's relationship with Turkey, or perceived hypocrisies within Turkish judgment of Israeli policies, does not only buy opposition voices credit but coalition members as well. It could be argued that fear of losing the public opinion battle since the signing of the reconciliation agreement has led the Netanyahu government to adopt this aggressive approach.

A similar phenomenon has occurred in Turkey. Attacking Israel has become low-hanging fruit in Turkish campaign politics. The most compelling evidence to support this point was the campaign slogans of CHP presidential candidate Muharrem İnce, who employed anti-Israel rhetoric as a way of exemplifying his bona fides. Slandering Israel was, in other words, a relatively risk-free strategy for a candidate hoping to expose President Erdoğan's deficiencies. In many ways, this approach mirrors that of Yair Lapid, whose criticism of Erdoğan and the Turkish government is in reality a vehicle for shedding light on the Netanyahu government's shortcomings.

Since the signing of the reconciliation agreement, Israeli and Turkish politicians have demonstrated increasing comfort in politicizing their bilateral relationship. Diplomatic ties are therefore as fragile as ever before. Many of the opportunities once believed to be possible two years ago now reside in the rearview mirror, not to be revisited anytime soon. As demonstrated by the 2017 Mitvim Institute public opinion poll, the majority of the Israeli public did not feel like the reconciliation agreement changed the nature of bilateral ties. In other words, neither side is motivated to spend the necessary capital to resuscitate the relationship. And even if Israeli and Turkish ambassadors return to their respective posts in the near future, it is unlikely to engender the fleeting enthusiasm that accompanied the 2016 reconciliation agreement. As Mitvim's 2018 poll reveals, the Israeli public is divided on whether the government should even try to improve relations with Turkey.

Economic realities and opportunities

Despite the diplomatic ups and downs, economic relations between Israel and Turkey have proven to be resilient. Turkey is Israel's sixth largest trade partner, and there is potential for massive growth in volume of trade the coming years. Economics appears to have been one of the driving forces behind the signing of the 2016 reconciliation pact. At the same time, political tensions may prevent Israeli-Turkish commercial relations from reaching their full potential.

According to Israeli officials, one of the main incentives for reconciliation with Turkey in 2016 was the potential for future energy cooperation (Turks, however, were focused on shared strategic interests). This argument was predicated on the assumption that Israel, who at the time possessed some of the larger quantities of newly discovered, offshore natural gas in the Eastern Mediterranean, and Turkey, one of the biggest energy consumers in the region and the most direct link to the European gas market, were natural partners. Turkey imports almost all of its natural gas, predominantly from Russia and Iran, and tensions with its two suppliers encouraged officials in Ankara to seek ways of diversifying the country's energy supply. At the time, a preexisting [legal dispute](#) between Israel and Egypt sidelined one of the possible export routes, thus enhancing the viability of an Israel-Turkey pipeline.³ There was also optimism regarding the negotiations taking place on the island of Cyprus, and the belief that a resolution would enable regional energy cooperation. Israeli and Turkish parties saw the initiative as a win-win scenario, as did the US, which supported both reconciliation efforts and conversations surrounding future energy cooperation.

However, the optimism of 2016 has since been replaced with a more sober assessment of the regional energy landscape, and at present the prospects for Israeli-Turkish energy cooperation appear to have been shelved. The lack of progress on this issue is due primarily to commercial and political complications. Constructing a 300-mile undersea pipeline from Israel to Turkey would cost approximately \$2 billion to \$4 billion. Additional pipeline infrastructure to transport Israel's gas within Turkey would potentially require an additional \$2 billion to \$3 billion. Given the low cost of natural gas on the global market, finding sufficient foreign investment on that scale was difficult. After the failed coup in mid-July 2016, [many investors questioned](#) Turkey's long-term political and economic stability. Making matters more complicated, the potential pipeline route would run through Cyprus' economic waters. Cypriot officials remain steadfast that they would not allow a pipeline to go through their waters prior to the resolution of its conflict with Turkey.

There are multiple legal perspectives on whether a undersea pipeline through Cypriot economic waters would constitute a violation of UNCLOS (the United Nations Convention on the Law of the Sea), however the likely construction delays caused by international arbitration was sufficient to throw cold water on the pipeline plan. Israel was also reluctant to damage its burgeoning relations with Cyprus and Greece for the sake of a commercial investment. The Israel-Greece-Cyprus alliance, formed predominantly in the wake of collapsing Israeli-Turkish ties, has been fortified by joint military exercises and trilateral summits. From the Israeli perspective, Cyprus has become a critically important regional partner that will fit into nearly all possible energy cooperation initiatives, whether that in partnership with or as a part of the ambitious [EastMed Pipeline Project](#).

³ In December 2015, an international arbitration court ordered Egypt to pay a fine of nearly \$1.73 billion to Israel over delays and damages to the natural gas pipeline that was supplied by Egypt via pipeline.

Given the right set of circumstances and political momentum, perhaps these obstacles could have been overcome. But according to Israeli Foreign Ministry officials, the parties never agreed on a price and at present the Turkish option is not being considered. After months of talking up a potential visit to Israel by Berat Albayrak, Erdoğan's son-in-law and at the time Turkey's Energy Minister, now the conversation in Israel has since shifted towards Egypt. Jerusalem and Cairo have not only reached a resolution to their legal dispute, but the two parties are currently mapping out a path for the sale of Israeli natural gas to an Egyptian firm.

Visions for large infrastructure projects are not always realized, and multinational energy partnerships require the right balance of political, technical, and commercial feasibility. Other opportunities to increase bilateral trade exist. Israel and Turkey have complementary economies, with young and diverse work forces. Direct investment, joint ventures, and the establishment of research and development (R&D) sites in Turkey have become a staple of the bilateral relationship in the 21st century.

At the same time, trade growth since 2010 has been restricted to the private sector. Distrust at the governmental level prevents the expansion of bilateral trade. Israeli firms are discouraged from investing in an unstable market, and Turks are likely concerned about the negative impact of engaging with Israel during such a tumultuous diplomatic period. Traditionally, Erdoğan refrained from "mixing business with politics", but on the presidential election campaign he frequently threatened to ban Israeli products in protest to the US decision to relocate its embassy to Jerusalem, going as far as to suggest that Turkey would cut off economic ties.

Most experts did not take this language too seriously, in part because the two sides managed to avoid measures that would take the dispute one step further. For example, efforts in the Knesset to push for recognition of the Armenian genocide failed to receive coalition support. Likewise, the AKP did not participate in a CHP-inspired legislation calling for cutting ties with Israel. In contrast to 2010, when Erdoğan made a series of demands from the Israeli government in exchange for the normalization of diplomatic relations, the current impasse lacks a clear set of demands and therefore undermines the potency of threatening language. Still, Erdoğan's threat signaled a discursive shift that caused many investors to think twice.

Taking into account the number of commercial opportunities that have emerged since 2016 – a byproduct, in part, of Turkey's recent economic challenges and rising inflation – there is more reason than ever for Israeli and Turkish officials to incentivize bilateral trade, especially in the areas of advanced software, information technologies, and cyber security. Israel seeks an aviation agreement that would open the Turkish market to Israeli airlines. At present, Turkish carriers manage the majority of flights between Israel and Turkey.⁴ In addition, there are a number of commercial opportunities for Turkey in the West Bank – Including Qualified Industrial Zones – that would be made possible with a more cooperative relationship with Israel. Turkey has not taken advantage of the special language in the reconciliation agreement that permitted it to improve the Gaza Strip's existing infrastructure. And as has been the case in the past, normalization will positively impact the number of Israeli tourists who travel to Turkey.

⁴ After Israel's national carrier, El Al, Turkish Airlines is the second largest airline to operate out of Ben Gurion airport.

The Oslo Peace Process created an opening for Israel and Turkey to enhance their bilateral relationship in the 1990s, a development that included (perhaps most importantly) the signing of a Free Trade Agreement. Yet despite countless opportunities to expand this partnership, the unpredictable nature of the Israeli-Turkish relationship over the last decade has prevented economic ties from reaching their full potential. Instead of emphasizing the resilience of Israeli-Turkish bilateral trade, officials need to encourage new investors from sectors that until now have been hesitate to engage in business with the other side.

A new normal?

The reconciliation process that Israel and Turkey started in 2016 has only just begun. Continued distrust at the governmental level prevents the expansion of existing trade partnerships and the resolution of diplomatic disputes. At the time this paper was written, reports that the two parties are [seeking to mend ties](#) (perhaps with the encouragement of several Gulf states) have circulated for several weeks. But if and when there is an exchange of ambassadors, both diplomats will likely return to their posts understanding that without a more serious effort to engage in dialogue and conflict management their respective tenures will be short-lived.

Civil society engagement is another area that is woefully undernourished, in part because of developments in Turkey. The July 2016 coup attempt in Turkey – and more importantly the government crackdown that followed – unintentionally stifled many of the existing avenues for cooperation and dialogue. New points of communication are slow to crystallize. Consequently, civil society actors were virtually non-existent when relations deteriorated in 2018 and have yet to make a serious contribution to the latest round of reconciliation efforts. Without a healthy civil society dialogue, Israeli-Turkish relations are unlikely to break from the current pattern of disagreement and misunderstanding.

The role of the US should not be overlooked. Repairing Israeli-Turkish ties was a key component to President Obama's foreign policy, and countless hours were spent trying to bridge the gap between America's two most valuable allies in the Middle East. Traditionally, the three countries shared concerns about Iran, developments in Syria, and fighting terrorism. However, today there is little to no strategic dialogue between these actors. In fact, current tensions between Jerusalem and Ankara pale in comparison to the [rift between the US and Turkey](#). US sanctions on Turkish officials – a response to the continued detention of American pastor Andrew Brunson – have actually encouraged Israeli politicians to maintain their critical approach towards Turkey. Some Turkish policy experts have argued that Ankara could use conciliatory tones towards Israel in order to garner American sympathy, however even if rapprochement is around the corner it is doubtful as to whether that would dramatically improve US-Turkey relations.

More importantly, the historical patterns of Israeli-Turkish relations are directly related to the health of the Israeli-Palestinian relationship. So long as the conflict between Israelis and Palestinians remains on a low burner, Israel and Turkey will seek ways to cooperate with one another. As has been the case repeatedly over the last decade however, tensions over Jerusalem and Gaza have triggered major disputes between Israeli and Turkish officials, deepening the sense of distrust at the governmental and societal level. Verbal exchanges between officials have become more common.

If diplomatic ties are restored – and there is good reason to believe that day will arrive in the coming months – Israeli officials need to be realistic about the low ceiling for relations with Turkey, but simultaneously prepared to seize opportunities when they present themselves. Israeli officials need to accept that support for the Palestinian narrative is not limited to President Erdoğan and the AKP, but rather a large and diverse swath of Turkish society. That does not preclude an improvement of bilateral relations, but without serious efforts it can handicap its potential for growth. Turkey's weakened economy presents opportunities for foreign investors; politicians need to restrain themselves from public critique of their respective counterparts, emphasizing the limited but important examples of Israeli-Turkish cooperation.

Based on the events of the last few months, it is unclear whether negotiators in 2016 were asked to tackle the fundamental questions surrounding the Israeli-Turkish relationship or whether they were restricted to the language of the reconciliation agreement. Either way, more time should be dedicated to discussing what kind of relationship Israel and Turkey hope to create over the next five to ten years on a diplomatic, economic, and civil society level. As identified in a [joint policy brief](#) by the Mitvim Institute and the Global Political Trends (GPoT) Center in 2016, without attempting to answer these core questions, as well as creating mechanisms to resolve disputes over regional issues, the probability that Israeli and Turkish diplomats will again find themselves returning to their home countries is quite high. The benefits of cooperation remain significant enough for both parties to refrain from permanently severing ties, so the challenge facing policymakers today is to articulate why the relationship matters, why the current cycle is not to the benefit of either party, and how the strategic, economic, and cultural potential of this partnership has yet to reach its full potential.

There are many states with which Israel shares a core set of values and principles. However, when it comes to foreign relations with Middle Eastern states, Israeli policy has often prioritized mutual interests, primarily strategic and economic. Turkey continues to play an outsized role in regional affairs, and its core strategic and economic interests are likely to overlap with Israel's over the short and long term. Despite the current friction between their respective governments, Israel and Turkey are increasingly interdependent economically. It is because of this interdependency that periods of political stress are so challenging, for diplomats, businessmen, and citizens alike. In order to move past the current situation, both countries require leadership that is willing to think beyond immediate interests and cooperatively define a language for the next generation.