

The Interests of Global Powers in the Mediterranean and Israeli Policies

Policy paper based on a meeting of the
“Israel in the Mediterranean” working group

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This policy paper sets out the various interests and goals of global powers (the US, Russia, China and the EU) in the Mediterranean, and the measures they are undertaking to implement them. The document also describes Israeli policies vis-à-vis the powers' activities in this region, and points to the principles that should guide them. The paper is based on a July 2019 meeting in Jerusalem of the research and policy working group on Israel in the Mediterranean, held at the initiative of the Mitvim Institute, the Hebrew University's Leonard Davis Institute for International Relations and Haifa University's National Security Studies Center.

A. Forward

The Mediterranean Basin has constituted a central hub of activity for global powers throughout history, as it does today. For most of the modern era, the Mediterranean Basin was a British zone of influence and a focal point of relations among the great powers, for example over control of the Suez Canal. That changed after World War II and the onset of the Cold War, when the region became the venue for a US-Soviet battle for control. The US emerged from the Cold War as the hegemon in the international arena, and attributed declining importance to the Mediterranean Basin.

In recent years, the region has once again assumed strategic importance for the powers, and is shaping up as a renewed arena of activity and rivalry. The traditional players – the US, Russia and European powers, who were active in the region in recent decades, have been joined by a new power, China. Its entry into the arena affects the other states' perception of their interests and activities, leading the US, in particular, to re-examine its inclination to limit involvement in the region.

The external powers' differing interests and their struggle for control of the region have a significant effect on the activities of the various regional players in the Mediterranean Basin. The Syrian civil war, Erdogan's willingness to challenge the US and its interests, and the growing role of Cyprus, are all affected by the rivalry among the external powers and can only be properly understood in this context. In other words, the actions of the different great powers must be understood in order to understand the Mediterranean Basin, the different developments there, the ongoing processes, and the pressures being exerted. This understanding is necessary for the sake of examining, analyzing and implementing measured Israeli policy on the region.

This paper will present the various interests of the key external players active in the Basin – the US, China, Russia and the EU – and the steps they are taking to advance them. The

second part of the paper will describe Israel's policy and its interests vis-à-vis each of these powers, pointing to the measures Israel would be advised to adopt with respect to each.

B. Interests and Actions of Global Powers in the Mediterranean

1. US Policy in the Mediterranean

In the years following World War II the US replaced the UK as the controlling power in the Mediterranean arena, manifested largely through the deployment of naval force. The main US goals in the region was to ensure free trade of oil from the Gulf, preserve the interests of its allies and prevent Soviet intervention and fortification. Even after the Cold War, the US remained deeply involved in the Mediterranean Basin.

In about 2009, during the Obama administration, largely due to domestic political considerations, the nature of US involvement in the region began shifting towards a reduced naval presence and more remotely controlled diplomatic and economic roles, aided by its allies in the region. Regional events since then, such as the impact of the Arab Spring, the Syrian civil war, tensions with Turkey, and a growing Russian presence in the Mediterranean Basin, have presented the US with growing challenges and undermined opportunities for cooperation.

The discovery of gas reserves in the Mediterranean also generated US interest, with American energy firms becoming increasingly involved in exploration and drilling. The US administration's desire to provide a stable environment for gas production led it to involvement and mediation in regional disputes – between Israel and Turkey, Israel and Lebanon, and Turkey and Cyprus. US interest in having a role in the Cairo-based Eastern Mediterranean Gas Forum (EMGF) launched in 2019, its desire to link up with and support the trilateral Israel-Greece-Cyprus alliance, and its growing involvement in the dispute between Turkey and Cyprus over gas drilling in the northern part of the island, all point to American intentions to remain in the region, in one form or another.

The nature of the US presence – whether exerting influence from afar and projecting soft power, or bolstering its military presence and displaying willingness to use hard power – will be affected by the activities of other powers in the region and, in turn, greatly affect the activities of regional players. Will the US manage to retain its dominance in the Mediterranean arena vis-à-vis the growing involvement of other powers? Will it succeed in preserving its regional allies' loyalty to its interests? These are the questions facing the US administration, and the answers will greatly affect the future of the Mediterranean Basin.

2. China's Policy in the Mediterranean

China's key interests in the Mediterranean Basin are linked to energy and trade. Some 50% of China's raw fuel needs are supplied by the Persian/Arab Gulf, which, despite being physically separate from the Mediterranean, is linked to it in geopolitical terms. The Mediterranean is an important component of China's commercial interests and attempts to open new global trade routes. Some of the new routes under development traverse this region. Therefore, China's view of the Mediterranean is mainly logistic in nature, ensuring its ability to transport goods and raw material. While the US serves as a global "police force" and monitor of the trade flow, it no longer has global logistics capacity, which it gave up. The little remaining US logistical activity is conducted by a small number of European vessels

flying the US flag under the regime of the Jones Act (a federal law mandating that goods shipped between US ports be transported on ships built, owned, and operated by US citizens). China, on the other hand, controls over one-third of Asia to Europe shipping capacity through the “Ocean” maritime alliance it leads. Regular maritime transportation would not be possible without this Chinese capacity. Beyond the energy and logistical aspects, the Chinese have a political-security interest in the region. They aspire to a Chinese presence in places that could have an impact on its domestic politics. In the case of Mediterranean Basin, the Muslim states on its eastern flank could potentially affect the Muslim Uighur minority in China, located mostly in China’s western provinces.

China’s activity in the region is derived from these interests and mainly manifested in the economic-commercial field. In the western Mediterranean, the focus is largely commercial, with China operating ports, whether independently or jointly, in places such as Valencia in Spain and Vado Ligure in Italy, though it is important to mention the pullout of the Chinese COSCO shipping company from the port of Napoli and sale of its shares in the facility due to lack of economic viability. China’s activity in the southwestern Mediterranean is limited and focused mainly on Libya. In the eastern Mediterranean Basin, China’s activity is far more pronounced, driven by strategic considerations focusing on passage of maritime trade routes between Asia and new points of entry into Europe (the southern European Mediterranean ports). These routes enter the Basin through the Suez Canal, where China is a partner in the largest container port in the Mediterranean (the SCCT), and is working in cooperation with Egyptian President a-Sisi to develop the Canal and its environs.

Further along the route into the Mediterranean, China is developing a presence in Israel, Turkey, Greece and Italy. For China, the Greek port of Piraeus constitutes a promising gateway to the southern European market, including the Balkans and western Euro-Asia. China’s purchase of a majority stake in Piraeus, and the agreement it reached with the port in Trieste and the Italian government, serve its new trade routes into Europe. In Israel, China is building a new container port in Ashdod (to be run by a Swiss company), while a new container port is also being built in Haifa (to be run by an Israeli company owned by Chinese shareholders). China’s operations throughout the Mediterranean Basin must also be understood in the context of its general struggle to become an equal to the US in global power terms. In the economic-commercial-logistical aspects, China appears to have the upper hand in the Mediterranean.

3. EU Policy in the Mediterranean

Unlike Russia, China and the US, the EU borders the Mediterranean and some of its member states form part of the region. The EU is also not a fully integrated entity with a clear and consistent policy and unified voice, and the differing interests of its constituent states manifest themselves in the formulation and execution of the organization’s policy. The EU tried to avoid formulating joint policy on the region, but developments, such as the Israeli-Palestinian conflict, Arab Spring, waves of migration, and environmental and security issues, prompted the EU to try to formulate joint policy and implement it. The EU’s main strength does not lie in its ability to divert military resources, but rather its capacity to divert economic resources, even in limited fashion; in its ability to project soft power; and its normative strength (i.e. high standards and values that it can export to different countries through agreements and aid, in realms such as human rights, democracy, etc.).

The EU's interests in the region stem from a desire to expand its influence in the world and stabilize its neighborhood in social, economic and security terms. The EU is interested in expanding its market access in the region; diversifying its energy sources in order to reduce dependence on energy from Russia and the East; and establishing a presence and accruing influence in ongoing conflicts in the region that affect its member states. The EU is interested in containing problems originating in the Mediterranean, such as uncontrolled migration, over-fishing and environmental issues, drug trafficking, terrorism and money laundering.

Because of the EU's unique structure, it faces complex challenges in seeking to ensure its interests in the region. The need for consensus among the member states makes it hard to formulate a clear strategy. The colonial legacy generates suspicions of Europe in many countries. The ability of other external powers, which generally enjoy greater popularity, to supply services and aid to states in the region, makes it harder for the EU to enhance its influence. States in the region also tend to attribute greater importance to their relations with key EU members rather than with the institutions in Brussels. European reluctance to use "sticks" and project hard power constitutes an additional challenge.

The EU tries to influence strategic issues by focusing on their "soft" components and projecting soft power. Its tools include economic incentives, trade agreements, dialogue forums, joint operations with countries of the region, and activity in the Mediterranean region. A key mechanism the EU used over the years was to treat the Mediterranean Basin states that are not EU members in a similar or supposedly equal manner in terms of deepening economic and other ties. This method did not yield optimal results for the EU, leading it to differentiate its approach to the various countries of the region.

4. Russian Policy in the Mediterranean

Russia regards itself as the successor of the Soviet Union, and it sees itself in essence as an empire. Modern-day Russia realizes that while it lacks the Soviet Union's financial and military wherewithal, the gradual US exit from the Mediterranean region has provided it with opportunities to increase its presence and pursuits there.

Russia has varied interests in the Mediterranean Basin. Throughout history and to this day, it has aspired to preserve an outlet to the Mediterranean. Russia has intertwined security and economic interests in the Mediterranean Basin, in its desire to create a sphere of influence and activity that would provide it with political pressure levers, economic opportunities, and defense assets. Russia is interested in preventing competition in the gas market. Its presence in the eastern Mediterranean Basin, in Syria and Lebanon, and its attempts at rapprochement with Turkey, all serve its interest of depriving Europe of a cheap alternative to Russian gas. To that end, Russia entered Syria, positioned itself as the pivotal power in that arena and brought Syria into its sphere of influence.

Russia perceives Egypt as part of its sphere of influence, selling it weapons with tacit US approval. Although the Egyptians know that Russia cannot provide them with the same kind of economic backing the US does, a deal for the sale of Russian fighter jets to Egypt currently in the works could threaten Egyptian-US ties. Meanwhile, Russia is developing a free trade zone in Port Said, reflecting its desire for an increased presence in the region.

Russia is also gaining a foothold in Cyprus. Cyprus's EU membership, American influence on the island and its alliance with Israel notwithstanding, Russia has been successful in

pushing the establishment of a naval base there. Many Russian oligarchs live in Cyprus and Russia was able to provide aid to Cyprus during its financial crisis.

In terms of politics, Russia has been successful in positioning itself as a potential mediator in regional conflicts: Between Israel and Syria; between Turkey and Israel; between Israel and the Palestinians; between Turkey and Syria; and among the various organizations within Syria. Despite its potential as a mediator, Russia has not promoted effective mediation in any of these cases. The flood of visits by regional leaders to Moscow serves as proof of the political role Russia has managed to assume in recent years. In order to establish its presence in the Mediterranean Basin, Russia has been active on the ground, displaying its commitment to leaders in the region and in North Africa, too, in a manner similar to its policy on Syria. In Sudan, Russia supported the establishment of bases to serve Bashir's forces, in Chad Russia is active in deterring rebels, and the same goes for Libya.

Russia is taking advantage of the reduced US presence in the Mediterranean Basin to expand the span of its political and economic influence, using all the options at its disposal and displaying willingness to adopt non-democratic measures (unlike the EU). Russia also projects soft power in order to gain and mobilize the support of local players. Russia's activity is accepted in the region in a positive manner – perceived as a more credible power that does not intend to disappear – and local actors are willing to take its presence and interests into consideration.

C. Israeli Policy in the Mediterranean

The global powers' varied interests and roles in the Mediterranean Basin are an important component in the current state of affairs in the region. The State of Israel must define its interests and examine its current and potential role vis-a-vis the powers active in the region.

1. Israeli Policy Vis-à-Vis the US in the Mediterranean

Israel's central interest with respect to the US is to ensure it remains in the region. To that end, it must find incentives for continued US involvement in the Mediterranean Basin. As far as Israel is concerned, there is no other player of the same caliber and with the same levers as the US, which can also promote Israel's regional interests. The link with the US is of paramount importance to Israel, and it must avoid undermining it, even when developing relations with China.

The central challenge facing Israel in its efforts to ensure a continued US presence in the region is the domestic American preference for retrenchment, and willingness to cede to a certain extent its hegemonic role in defining global order, norms and security. Despite the US withdrawal some of its forces from the Mediterranean Basin, NATO's continued presence and involvement in the region is important to Israel and preferable to a greater role for Russia, with which Israel does not share a values-based partnership. The fact that Cyprus is not a NATO member and that Turkey is not an EU member, affects NATO operations in the region to a certain degree. The Turks, for example, are preventing full NATO cooperation with the EU. A diplomatic resolution of the ongoing Cyprus conflict could improve regional security, which would clearly be in Israel's interests. Israel has proven its ability in recent years to conduct positive relations with both Cyprus and Turkey. Under certain circumstances, Israel may even be able to play a positive role in advancing the Cyprus peace process.

Israel must examine where it can serve US interests in the Mediterranean Basin. For example, cooperation with the US-led Israel-Lebanon mediation efforts could hand the Americans a significant foreign policy achievement that would serve Israeli interests both in resolving the local border dispute and in gratifying the Americans. Syria may also present an opportunity for Israel to keep the US involved in the region presenting the joint interests of curtailing Iranian and Russian operations and entrenchment.

Another potential diplomatic achievement for the US in cooperation with local players lies in developing the estimated 30 BCM gas reserves along the Gaza coastline (Gaza Marine), although experts are divided over its economic viability. However, an American-led move to develop the gas field in order to ease the economic crisis in Gaza, while advancing internal Palestinian reconciliation and agreement on the mechanism to manage the reserves, could be a significantly important step for Israel and a considerable American coup in the area.

Israel must advocate and lobby in Washington for its trilateral alliance with Greece and Cyprus. US support and growing awareness of its positive potential will strengthen the pact, while Israel's contribution to enhancing US involvement in the alliance will strengthen its own role in it too. These moves should not be restricted to the trilateral alliance, and Israel can and should work to enhance US recognition of the value of cooperation born in the Mediterranean Basin and of the institutionalization process the area is undergoing. Similarly, depicting the strategic pact between Israel and Egypt as a strong and coordinated alliance could signal to the US that it can join in and enjoy the stable relationship between the two countries at little risk to itself. US support for Egypt's stability and power is in Israel's interest, and Israel would do well to continue lobbying the US administration to back its southern neighbor. Israel must bring opinion shapers to the region and expose them to events in the Mediterranean Basin, focusing on the regional energy components that could generate interest on the part of others in the US. The entry of US energy firms larger than Noble Energy will also attract greater interest and political investment.

The Mediterranean Basin also provides Israel with an avenue toward preserving and/or restoring bipartisan US support. The Netanyahu government and the Republican Party under Trump have worked assiduously to paint Israel as a "Republican" state. An Israeli emphasis on its affinity for the Mediterranean and its regional partnerships with Egypt, Cyprus and Greece provides the Democratic Party with a positive connection to Israel. In the Mediterranean Basin, Israeli policy and its involvement in an array of alliances and partnerships is not contested in the US and enable both Democrats and Republicans to support Israel.

2. Israeli Policy Vis-à-Vis China in the Mediterranean

Israel has an interest in Chinese investment in the region, in the opening of China's market to the Israeli economy and economic cooperation between the two states, but without handing over national strategic assets to foreign entities, without becoming exposed to Chinese industrial espionage, and without undermining strategic ties with the US. Israel and China hold an annual conference on innovation that serves as the central framework for developing ties between the two governments. China has diverse interests in Israel, having invested in infrastructure projects such as the Carmel Tunnels, railroads and ports. It invests in knowledge and technology through venture capital funds. It promotes technological cooperation between the Technion and various Chinese provinces, and invests in joint R&D. China also tried to get a foot in the door of Israeli insurance and financial services, but the

deals fell through. In terms of exports, the Chinese market is almost irrelevant for Israel, with 80% of Israeli exports in the hands of two large corporations, one being Intel that transfers goods from Israel to Intel China, which are logged as exports. In addition to economic ties, Israel also has a military attaché in China.

China's investments in the Israeli market are a source of controversy. On the one hand, there is concern about the leak of technology and knowledge, loss of Israel's existing qualitative advantage, and concern about foreign control of major infrastructure companies. On the other hand, China's infrastructure construction (as opposed to various build-operate-transfer projects that hand over temporary management of projects) is perceived as a successful economic model, and is often carried out based on competitive Chinese prices. As is the case in other parts of the world, China views such projects as a purely economic opportunity, and it moves on to other countries once the projects are completed.

Israel lacks a uniform, official policy on Chinese activity in the region. China's 2014 acquisition of the Tnuva dairy conglomerate prompted deliberations on a mechanism to monitor foreign investment in Israel, but no such mechanism has yet gone into operation. The Chinese investment in the Haifa Port, and public objections due to security concerns, along with criticism of the move by the US administration, led the National Security Council and the security cabinet to more intense discussions on establishing a monitoring mechanism for foreign investment. Meanwhile, disagreements among various government ministries and agencies have torpedoed formation of such a mechanism.

Israel must formulate a clear policy on Chinese investments in general, and specifically on assets relevant to the Mediterranean Basin, and proceed accordingly. As long as the Chinese have significant economic interests, even political-defense restrictions will not prevent them from cooperating with Israel in exploiting economic opportunities. Israel must examine where its interests and those of China's complement each other in the Mediterranean Basin, and work together where progress is feasible. Israel must lead a discussion within its various allies – certainly with Greece and Cyprus, but with Egypt too – regarding China's activity in the arena in order to explore options for political and economic cooperation, and identify where cooperation must be rejected or curtailed as harmful to alliance interests.

3. Israeli Policy Vis-à-Vis the EU in the Mediterranean

Israel has an interest in strengthening ties with the EU; gaining European recognition of its identity; belonging to Europe in some measure; and enjoying what Europe has to offer in diverse spheres. Europe constitutes the most relevant market for gas exports from the eastern Mediterranean Basin. Israel therefore has an interest in promoting EU investment in examining various gas export alternatives and in enhancing Europe's role in its array of regional alliances and in regional stabilization and development processes.

One must obviously distinguish between EU policy and the policies of various European states, which are sometimes at odds. European policy limits the expansion and deepening of ties with Israel against the backdrop of the continuing occupation. Israel's difficulty in accepting criticism regarding its policy on the territories casts a shadow on the relationship and causes its deterioration. Therefore, the Israeli government portrays the EU as an enemy, despite the widespread links with the organization and the fact that it serves as Israel's broadest economic heartland and a key security pillar.

In order to avoid European criticism of its policies on the territories, Israel openly and declaratively seeks to deepen divisions among EU states, to weaken the Union, and to use its relations with various countries in order to block decisions it finds unpalatable. These tactics are not limited to the Palestinian issue. For example, the EU views Israeli policy regarding the nuclear agreement with Iran as targeted against a European achievement.

Given its difficulties in maneuvering vis-à-vis the EU, Israel is basing its links with Europe on ties with member states. Some, France at their head, insist on the linkage between the ongoing conflict with the Palestinians and the relationship with Israel, even on a state level.

Israel must define its interests and positions regarding the relationship it seeks with the EU, and formulate its policy accordingly. The framework of the Mediterranean Basin could provide Israel with a geographic point of entry, but also one based on identity, to the EU. The launch of Israeli negotiations with the Palestinians would help the EU and Israel overcome the key hurdle to closer relations, and a future peace agreement would enable the realization of the EU's offer to establish a "special privileged relationship" with Israel (and the future Palestinian state).

The EU is undergoing a realignment of its foreign service, institutions and foreign policy culture. A new culture is being forged in Europe's political corridors, providing Israel with an opportunity to integrate into the organization, to be present at discussions, to be attentive to doubts and contestations and partner in formulations, and to weave the ties of friendship on which future cooperation will be built. Israel must familiarize itself more with the European mechanisms, learn how to effectively work with Brussels and beef up its presence there.

Europe's commitment to Israel, which rests to a large extent on the historic memory of the Holocaust, could shift with the passage of time and emergence of new generations. When Israel hooks up with populist, racist European forces opposed to the universal lessons of the Holocaust, it erodes the European commitment to the Jewish state as a guarantor of its security and existence, derived from its lessons of the Holocaust, and undermines the Jewish communities living there. Israel must shift direction and formulate long-term policy that links itself with Europe through universal lessons born of the Holocaust and on which the European project is based. The existence of regional Mediterranean Basin institutions and organizations, led by the EU and/or in partnership with it, holds out opportunities for Israel to forge a positive relationship with Europe, which is not necessarily bilateral. These institutions and organizations, to the extent that they advance a Mediterranean identity, could serve Israel in improving cooperation and relations with the EU.

4. Israeli Policy Vis-à-Vis Russia in the Mediterranean

Israeli relations with Russia are based on calculated interests, and its policy is based on the understanding that Russia's growing presence and influence in the region (similar to China's) cannot be ignored, and are devoid of sentimentality. Israeli policy on Russia is therefore pragmatic, based on the principle of "respect but suspect". Nonetheless, Israel lacks a cohesive policy and strategy vis-à-vis Russian activities in the region.

The Netanyahu government seeks to present an appearance of Israeli achievements to act in areas of Russian dominance in the region free from Russian constraints. Putin understands this and is willing to deliver the goods. Netanyahu has tried to convey achievements vis-à-vis Russia by scheduling meetings with Putin and hosting the US and

Russian national security advisers for a meeting in Israel. Personal ties between Netanyahu and Putin are described as good, but this does not translate into developments on the working levels in the foreign or defense ministries, nor into concrete content. The Russian defense ministry is critical of Israel, and led a sweeping anti-Israel campaign following the 2018 downing of a Russian military aircraft over Syria. Israel chose not to react and to contain the campaign in order to avoid escalation with Moscow.

Russian and Israeli interests converge in some fields, but clash or compete in others. In Syria, for example, Israel is seeking greater US involvement, but understands the need to coordinate its actions with Russia as the dominant power. Russia and Iran had a similar interest in preserving the Assad regime, but they are divided regarding the nature of the regime in the future. Despite clear differences on the Iran and Syria issue, Israel and Russia are trying to conduct closer and better coordinated ties, as manifested in meetings of their foreign affairs and defense committees and regular dialogue between their leaders and between defense and administration officials. Members of Knesset, however, are not experts on the issues, and are not partners in shaping and managing the relationship with the Russians. The background briefings provided to those lawmakers who meet with their Russian counterparts are insufficient, and they lack the relevant experience and knowledge to conduct serious discussions on the issues at hand.

Israeli and Russian interests converge when it comes to Egypt. Israel has a keen interest in seeing Egyptian stability and a stronger economy there. Russian plans to build a free trade zone in Egypt that would contribute to Egypt's economic stability are in line with Israel's interests. The Russians are also active on Cyprus, building a military base there. Israel is also active on the island, and is boosting military cooperation with Cyprus. For now, the two countries' actions in Cyprus do not interfere with each other. However, Russian involvement in Lebanon does trouble Israel since it risks US mediation attempts between Israel and Lebanon. In the Palestinian arena, the Russians are mostly projecting soft power and trying to plant the idea that they could mediate between the sides given their good offices on both sides and with all factions, but they are not investing much in aid to the Palestinians. In general, Russian investments in the Mediterranean Basin that contribute to economic and political stability are a clear Israeli interest, at least so long as they do not threaten Israel's alliance with the Americans and US involvement.

Russia does not recognize Hezbollah and Hamas as terror organizations despite Israeli efforts to change those views (unlike Russian recognition of the Muslim Brotherhood in Egypt as a terror organization, even before Morsi's rise to power). The fact that Russian citizens were murdered in Hamas-sponsored terror attacks (for example at Tel Aviv's Dolphinarium in 2001) did not change Russia's attitude in this regard. Israel does not challenge Russia on this matter, nor on its UN votes, attitudes toward anti-Semitism, the hosting of Hamas leaders, and more. While Israel displays determination on these issues vis-à-vis Europe, it gives Russia a pass and tells itself that the regime in Moscow has adopted different approaches toward different allies, and therefore it cannot expect a change in policy on these issues.

Russia is very active within the Arab community in Israel. It runs friendship groups, has appointed an honorary consul, grants stipends, invests in advertising Russia's role in Arab cultural revival, conducts personal ties between Russian and Arab Israeli citizens, and is busy projecting its soft power. This could contribute to mediation attempts between Israel's Jewish population, which has a significant component of immigrants from the former Soviet

Union, and Arab society in Israel and in neighboring countries (in Syria, Egypt and among the Palestinians) with which Russia has ties. However, Israelis from the FSU do not necessarily feel an ideological affinity for Russian activity in the region, and Russia does not appear interested in advancing such people-to-people ties. Israel must remember that Russia serves its own interests first and foremost, and that Israel does not have significant leverage over Moscow. Israel must therefore continue to define its policy based on a cautious approach and on cold, calculated interests.

Israel must formulate a strategy regarding Russia's presence in the region. As of now, it lacks a clear policy on this matter, and its institutions lack knowledge, information and expertise in order to formulate well-thought-out moves vis-à-vis Russia. The Knesset's Foreign Affairs and Defense Committee, tasked with overseeing the government's execution of foreign relations, does not discuss policy on Russia. Israel must amass greater knowledge, divert additional resources and conduct serious ongoing discussions to understand Russian activity in the region – to examine Russia's widespread activity in Africa, the Middle East and Mediterranean Basin as a whole and as they reflect Russian foreign policy. Israel must also press for and demand policy change in areas it deems key to its interests. As regards the fight against terrorism, for example, Israel could insist and make it clear to Russia that this is where the interests of both countries converge. The same is true for the fight against anti-Semitism. Moving discussion of these issues to the public sphere could help exert a certain measure of pressure on the Russians.

Israel can and should take advantage of the joint Israeli-Russian interest in the stability of the Egyptian economy and its development, and encourage the establishment of Israeli-Egyptian-Russian Qualifying Industrial Zones (QIZs) similar to the ones built in the past with the US in the region. Nonetheless, Russian support for Egypt's plan to build a nuclear power station, including the training of Egyptian nuclear scientists, should concern Israel. While it lacks the ability to exert direct pressure on Russia in this regard, it could deal with the problem by making it clear to the Egyptians that they must choose between the Russian axis and the American one and cannot enjoy the best of both worlds. Israel would be well advised to keep Russia out of the trilateral alliance with Greece and Cyprus, out of the emerging Egyptian-led regional gas forum (although Israel has yet to formulate policy on this issue) and out of negotiations on the Israel-Lebanon maritime borders. Instead, Israel must advance these processes under the American and European umbrellas. In bilateral ties with Cyprus, Israel must accept Russia's presence on the island and understand that Cyprus relies to a significant extent on the Russian presence too.

In general, Israel should wish for the success of Russian involvement in the Mediterranean when it serves its own interest, especially in stabilizing the Egyptian economy, in restraining Iran and Hezbollah in Syria, and perhaps also in propping up the regime and restraining the civil war in Sudan.

D. Conclusions

The Mediterranean Basin is an arena of rivalry and competition among global powers over control of trade routes, energy sources and their delivery routes, and the projection of influence on regional politics, defense and identity. Soft power is the primary tool of their rivalry as they seek to realize their interests in the region, manifested in investment in infrastructure, funding of development plans, business activity of private (or semi-private) corporations, the projection of principles and attempts to bolster an affinity based on values.

Paradoxically, the struggle between the powers provides regional players with certain influence and pressure points. They are not totally committed to one power, but in touch with them all, and they are using this fact to maximize leverage over the various external powers. The same goes for the alliances and organizations emerging in the Mediterranean Basin, which would do well to remain “non-aligned”, avoid commitment to one power or another and maintain ties with them all.

Balancing the interests and roles of the various powers is a delicate exercise, restricted by limitations, and its importance cannot be overstated. A telling example is Israel’s need to restrict its ties with China in accordance with US pressure. In order to act wisely and sensitively, Israel (and the other regional players) must understand the key interests of the various powers and the relations between them, clearly define its own interests and the guiding principles of its role in the region, and formulate its policy accordingly.