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Arab Center for Research & Policy Studies

ASSESSMENT REPORT

Israeli–Turkish Rapprochement: Implications for Bilateral Ties

Policy Analysis Unit - ACRPS | July 2016

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Introduction

An official rapprochement announced at the end of June ended a bitter six-year rift between Israel and Turkey. The agreement capped long running negotiations which sought to address the fallout of the May 2010 raid carried out by Israeli commandos against the Mavi Marmara, a Turkish-flagged flotilla carrying humanitarian aid bound for Gaza. The attack led to the deaths of nine Turkish nationals and constituted a turning point in relations between the two countries, which were formerly regional allies. The terms of the June 26 deal have largely returned bilateral relations to the pre-May 2010 status quo, and are likely to keep the Israeli blockade on Gaza in place.

Root of the Crisis

Previously seen as a robust alliance, relations between Ankara and Tel Aviv began to deteriorate following the rise to power of Turkey's ruling Justice and Development Party (the AKP) in 2002, hitting an all-time low in the wake of the Mavi Marmara attack. Following the incident, Turkey stipulated three conditions before returning to normal diplomatic relations with Israel: an official Israeli apology for the deaths of Turkish nationals during the raid; compensation for their families; and a lifting of the siege on Gaza. Israel's refusal to make a formal apology meant that all diplomatic efforts to end the crisis in Turkish-Israeli relations failed. By September 2011, as part of a broad set of sanctions against its former ally, Turkey announced that it would dismiss the Israeli Ambassador, which also led to the withdrawal of existing bilateral agreements between the two militaries¹.

The United States, meanwhile, continued to mediate between the two countries. During a visit to Israel in March 2013, President Obama personally pressured Israel to acquiesce to the Turkish demand for a formal apology. Obama's intervention did bear fruit – Netanyahu personally phoned Turkey's Recep Tayyip Erdogan, then prime minister of Turkey, and apologized. By February of 2014, negotiators from both countries would eventually arrive at a draft agreement – later, Joseph Ciecchanover, Netanyahu's chief envoy to the talks with Turkey, described this draft as being very similar to the final deal arrived at 28 months later. Netanyahu, however, had stalled on

¹ For further details, see: Mahmoud Muhareb, "Israeli-Turkish Relations in Light of Israel's Refusal to Apologize for the Mavi Marmara Incident", Arab Center for Research and Policy Studies, December 25, 2012, at: <http://english.dohainstitute.org/release/c441ede0-6325-4a4f-ae14-a1176eae21a2>

signing the earlier agreement, choosing to bide his time and wait for the Turkish presidential elections, which Erdogan won in the summer of 2014².

Terms of Agreement

The full agreement between the sides extends to six articles and an additional two appendices. For its part, Israel has agreed to transfer 20 million US dollars for the victims of the raid and their families. This in exchange for Turkish agreement to drop all judicial proceedings against the Israeli military personnel responsible for the raid. Once these measures are in place, both countries will resume normal diplomatic relations.

While providing for an easing of the blockade and greater access to the Gazan market via the Israeli seaport in Ashdod, the agreement does not, however, end the Israeli blockade on Gaza. Other provisions in the agreement allow Turkey to implement a number of projects in Palestinian territory. These include the construction of a joint German-Turkish power plant in Gaza; a water desalination plant on the Mediterranean coast; the construction of a hospital in the Strip; the restoration of the houses and mosques damaged and destroyed by the last (2014) assault on the territory; and the provision of residential housing units there. The financing will be provided through local Gaza-based banks. Beyond the Gaza Strip, the deal also makes way for Turkey to participate in the construction of an industrial zone near the city of Jenin in the Palestinian West Bank.

In addition to these terms, Israel insisted on the addition of two appendices. These place nominal restrictions on the maneuverability of Hamas in Turkey. While Hamas, which governs the Gaza Strip, can continue its political and diplomatic activity from Turkish soil, it will be barred from planning or coordinating military activities from the country. A second appendix, also included in the eleventh hour to appease Israeli negotiators, secures Turkish cooperation in working for the return of the remains of two dead Israeli soldiers whose bodies were left in the Gaza Strip following the 2014 assault on the territory, as well as help in finding the whereabouts of two Israelis—one of them a Negev Bedouin—who disappeared in murky circumstances after infiltrating the Gaza Strip and being captured by Hamas.

² See Barak Ravid, "Israel and Turkey Reach Reconciliation Deal; Formal Announcement Postponed Until Monday", *Haaretz*, June 26, 2016, at: <http://www.haaretz.com/israel-news/.premium-1.727205>

Another result of this agreement is that Turkey will no longer object to enhanced cooperation between NATO, of which it has long been a pivotal member, and Israel³. In the aftermath of the Mavi Marmara attack, Ankara had objected to extensive involvement of the Israeli military in NATO exercises. Since cooperation between the NATO-wide umbrella and a non-member state requires the unanimous approval of member states, Turkey's veto effectively restricted the spheres in which Israel could work with NATO as a whole.

Implications for Bilateral Relations

During the negotiations process, the Israeli side pressed for the agreement to go beyond the restoration of diplomatic ties and a return to the pre-Mavi Marmara status quo, to push the entire scope of Turkish-Israeli relations forward. Observers of Israeli-Turkish relations, however, tend to be skeptical of these aims, and there is wide ranging acceptance that the strength of relations that preceded the rise of the AKP will not be so easily restored.

Having undergone huge transformations at the highest ranks to bring it in line with the political outlook of the ruling AKP, the Turkish military establishment in particular is much less likely to be receptive to warm relations with its Israeli counterpart. There is also no real pressing need for the Turkish military to become a consumer of Israeli military technologies, such as Israeli-made drones. In the unlikely event that Turkey attempts such a purchase, the country's military leadership would be expected to ask for access to the fabrication techniques and know-how which would help it nurture its domestic military industries, a request the Israelis will most likely decline⁴.

Nonetheless, the normalization deal will likely revitalize bilateral trade and economic relations between the two countries. This follows the imposition of a Turkish government ban on the participation of Israeli firms in government tenders in 2015, which saw a 40% reduction in the value of Israeli exports to Turkey (see below)⁵.

³ See Barak Ravid, "NATO Okays Israel Office in its Brussels Headquarters after Turkey Lifts Veto", *Haaretz*, May 4, 2016, at: <http://www.haaretz.com/israel-news/.premium-1.717794>

⁴ See Gallia Lindenstrauss, "Israel-Turkey Normalization: Can Relations Turn Over a New Leaf?", The Institute for National Security Studies (Israel), June 29, 2016, at: <http://www.inss.org.il/index.aspx?id=4538&articleid=11974>

⁵ Ibid

These previously robust trade relations are likely to bounce back now that a major government limitation has been lifted⁶.

Table 1

Impact on Volume of Trade between Israel and Turkey

Year	Israeli exports: Turkey (USD millions)	Turkish exports: Israel
2013	2,500	2,400
2014	2,800	2,700
2015	1,700	2,400

Source for data in footnotes.

Israel also views Turkey as a vital market for its prospective natural gas production from the Mediterranean's Leviathan gas field. Not only could this offshore field, which Israel *de facto* dominates, meet Turkish energy requirements, it might also provide a pipeline for the export of gas extracted by Israel to Europe. Such a move would complicate an existing series of deals covering pipeline politics: a previous agreement, signed in January, 2016, by Israeli premier Benjamin Netanyahu with the governments of Greece and the Republic of Cyprus, and which provided for the export of Israeli and Cypriot natural gas to Europe by way of an under-sea pipeline and Greece⁷. Another obstacle to this Israeli ambition is that Turkey's need for gas is not as acute as it was only recently. Turkey's reconciliation with Moscow—almost simultaneous with Israel—has reopened a once dormant energy supply route. Ankara is also increasingly looking to import greater amounts of natural gas from Qatar, Algeria, Iran and Nigeria.

⁶ Data is from Motti Basuk, "Uriel Lynn: Major Economic Benefits of Reconciliation Deal with Turkey", *The Marker*, at: <http://www.themarker.com/news/1.2991328>

⁷ See Aryeh Mekel, "Turkish-Israeli Reconciliation Places Greece and Cyprus in a Bind", *Haaretz*, June 28, 2016, at: <http://www.haaretz.co.il/news/politics/.premium-1.2989466>

Conclusion

Turkey and Israel's reconciliation provides common ground for the two countries to build on, but the deal is very unlikely to bring back the state of affairs that preceded the rise of the AKP. While cooperation in areas of joint interest will likely bloom, and economic ties are set to expand, this will not foretell the creation of an Israeli-Turkish partnership for the export of offshore gas to Europe via Turkey.

The further development and expansion of bilateral relations between Israel and Turkey is contingent on the views of the two governments on the wider region and their respective roles within it. This covers a number of contentious issues, such as the Israeli siege on the Gaza Strip and its oppression of the Palestinian people and, in particular, Israeli policies regarding the Aqsa Mosque and its ongoing settlement enterprise. Closer to home, Turkey has grave concerns about Israeli relations with a number of Kurdish separatist groups and parties, whether in Iraq, Syria or Turkey itself. The two countries also disagree about the future fate of Syria. While Israel supports a partition of their mutual neighbor, Turkey is adamantly opposed to that idea. Finally, the deal itself underscores one of the main points of tension between the two sides, namely relations with Hamas and the wellbeing of the Palestinian people more generally. Even as Israel continues its siege of the Gaza Strip, the Turkish government will be allowed to improve infrastructure and quality of life in Gaza.

In the Arab region, the deal will reverberate strongly, and perhaps put an end both to the fantasies of Turkey's— and the AKP's — reflexively loyal acolytes as well as those who blindly hate the country. While these two groups project their own prejudices and intra-Arab conflicts onto their images of Turkey, Ankara's political actions have injected a dose of reality—and political realism—into these debates. Turkey has demonstrated that its policies are driven by political pragmatism, regional balances of power and geostrategic considerations, and its own domestic calculations.