

Commentary, June 1, 2016

ITALY AND EGYPT NO MORE BUSINESS AS USUAL

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Trade, business, geography, geopolitics and wars. Since Caesar's time, it has been hard to find two countries on the shores of the Mediterranean as connected as Egypt and Italy. After the discovery of the Zhor gas field, with a potential investment of 10 billion euros, ENI, the Italian oil and gas company, became an essential partner in the development of the Egyptian energy. With trade worth 5 billion euros, Italy was Cairo's leading European partner. The Italian companies directly employed about 30,000 Egyptians, with revenues of more than 5 billion. Negotiations for other several other new projects - worth another 2 to 3 billion euros - had started with good prospects. Basically all the largest Italian companies were doing business in Egypt.

Official bilateral visits, both political and business, were frequent. Italian Prime Minister Matteo Renzi was the only Western leader attending the Egyptian Economic Summit in Sharm el Sheikh last year, promoting business and geopolitics. Being present at the first important international showcasing of al-Sisi's ambitions was a

kind of political appointment with the former general's New Egypt: for the Italian government, stability in Egypt was instrumental to the stability and the security of the whole Middle East. In the view of our government, President al-Sisi was also key to reaching a solution to the Libyan cauldron, a very sensitive issue for Rome.

Actually, in the civil war in Libya, Egypt has always been part of the problem, rather than instrumental for its solution. Its deep involvement in the conflict and its support for General Khalifa Haftar always obstructed any peaceful solution of the crisis. Especially now, since the new Libyan Prime Minister Fayyaz al Sarraj took up office in Tripoli, disrupting Egypt's plans.

But everything was apparently fine between Italy and Egypt. Then, at the end of last January, tragedy struck. Giulio Regeni, an Italian post-graduate student at Cambridge University, disappeared. He was found dead seven days later in Cairo, dumped alongside the Desert Road for Alexandria. His body revealed evidence of brutal torture.

Ugo Tramballi, Il Sole 24 Ore

The responsibility of the Egyptian police system was clear from the beginning. But despite repeated appeals for transparency from the Italian government, public opinion and media, the al-Sisi regime's response was denial and obfuscation. This insolent denial and obfuscation continues.

Despite its outstanding business interests, the Italian government persisted in its request for transparency and truth. The Ministry of Foreign Affairs recalled the Italian ambassador from Cairo and downgraded formal relations at any level. More than three months later, nothing has changed except the warm relations between the two countries, turned into a bitterly cold winter.

Except for the American and British press, the academic world in the UK and the European Parliament, EU member countries remain basically silent. Several declarations were made, some formal solidarity shown, but

nothing more tangible. The French president and an economic delegation from Germany went to Cairo and engaged in business as usual.

To disinvest in Egypt would be highly self-destructive. France and Germany, Russia and China are just waiting and hoping to replace Italian businesses, and the Egyptian government is very aware of that. But along with the economic side of the problem, an exacerbation of the confrontation with Egypt could jeopardize several fundamental issues of Italian standing in the Middle East: first and foremost the stability of Libya, as we said, but also the war on Islamic terrorism. And, last but not least, controlling the migration of asylum seekers/refugees from Africa. In all likelihood this is going to be the great emergency of the coming summer. If Egypt opens its gates, for any reason easing control of its Mediterranean shores, the waves of people arriving on Italian coasts will be an uncontrollable flood.